Dynapack International Technology Corporation

Parent Company Only Financial Statements for the Years Ended December 31,2021 and2020 and Independent Auditor s ' Report

INDEPENDENT AUDITORS' REPORT

The Board of Directors and Shareholders
Dynapack International Technology Corporation

Opinion

We have audited the accompanying parent company only financial statements of Dynapack International Technology Corporation (the "Company"), which comprise the parent company only balance sheets as of December 31, 2021 and 2020, and the parent company only statements of comprehensive income, changes in equity and cash flows for the years then ended, and notes to the parent company only financial statements, including a summary of significant accounting policies (collectively referred to as the "parent company only financial statements").

In our opinion, the accompanying parent company only financial statements present fairly, in all material respects, the parent company only financial position of the Company as of December 31, 2021 and 2020, and its parent company only financial performance and its parent company only cash flows for the years then ended in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers.

Basis for Opinion

We conducted our audits in accordance with the Regulations Governing Auditing and Attestation of Financial Statements by Certified Public Accountants and auditing standards generally accepted in the Republic of China. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Parent company only Financial Statements section of our report. We are independent of the Company in accordance with The Norm of Professional Ethics for Certified Public Accountant of the Republic of China, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the parent company only financial statements for the year ended December 31, 2021. These matters were addressed in the context of our audit of the parent company only financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matters identified in the Company's parent company only financial statements for the year ended December 31, 2021 are as follows:

Authenticity of the Revenue Recognition of Transaction through Outbound Freight Warehouses from Specific Customers

The Company's products include battery packs for notebooks and tablet PCs. Since there is a significant growth in revenue from specific customers compared with the previous year, and the process of revenue recognition of transaction through outbound freight warehouses usually involves a lot of procedures and operations, which can easily cause the risk of improper revenue recognition, we have identified such revenue recognition as the key audit matter.

The main audit procedures were as follows:

1. We obtained an understanding of the internal control related to the recognition of sales revenue through outbound freight warehouses from specific customers and tested the design and operating effectiveness of the control of selected samples.

2. We performed tests of details by checking the selected samples of recorded revenue against the related customer orders, shipping documents, and collection of payments for specific customers to verify the authenticity of the revenue recognition.

3. We performed cut-off procedures for revenue of transaction through outbound freight warehouses from specific customers, before and after the end of the financial reporting date, and verified that sales transactions were recorded in the correct period.

Responsibilities of Management and Those Charged with Governance for the Parent company only Financial Statements

Management is responsible for the preparation and fair presentation of the parent company only financial statements in accordance with the Regulations Governing the Preparation of Financial Reports by Securities Issuers and for such internal control as management determines is necessary to enable the preparation of parent company only financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the parent company only financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Parent company only Financial Statements

Our objectives are to obtain reasonable assurance about whether the parent company only financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the auditing standards generally accepted in the Republic of China will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these parent company only financial statements.

As part of an audit in accordance with the auditing standards generally accepted in the Republic of China, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

1. Identify and assess the risks of material misstatement of the parent company only financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

2. Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

4. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the parent company only financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

5. Evaluate the overall presentation, structure and content of the parent company only financial statements, including the disclosures, and whether the parent company only financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

6. Obtain sufficient and appropriate audit evidence regarding the financial information of entities or business activities within the Company to express an opinion on the parent company only financial statements. We are responsible for the direction, supervision, and performance of the audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the parent company only financial statements for the year ended December 31, 2021 and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partners on the audits resulting in this independent auditors' report are Tzu-Jung Kuo and Shih-Tsung Wu.

Deloitte & Touche
Taipei, Taiwan
Republic of China

March 8, 2022

Notice to Readers

The accompanying parent company only financial statements are intended only to present the parent company only financial position, financial performance and cash flows in accordance with accounting principles and practices generally accepted in the Republic of China and not those of any other jurisdictions. The standards, procedures and practices to audit such parent company only financial statements are those generally applied in the Republic of China.

For the convenience of readers, the independent auditors' report and the accompanying parent company only financial statements have been translated into English from the original Chinese version prepared and used in the Republic of China. If there is any conflict between the English version and the original Chinese version or any difference in the interpretation of the two versions, the Chinese-language independent auditors' report and parent company only financial statements shall prevail.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY BALANCE SHEETS
DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021		2020	
ASSETS	Amount	%	Amount	%
CURRENT ASSETS				
Cash and cash equivalents (Notes 4 and 6)	$ 2,276,405	9	$ 1,402,740	6
Financial assets carried at amortized cost - current (Notes 4 and 8)	1,600,000	6	574,500	3
Trade receivables from unrelated parties (Notes 4, 5 and 9)	4,956,346	20	4,298,567	20
Trade receivables from related parties (Notes 4, 9, and 29)	1,265,512	5	-	-
Other receivables (Note 4)	4,283	-	6,689	-
Other receivables from related parties (Notes 4 and 29)	10,224	-	11,039	-
Inventories (Notes 4, 5 and 10)	2,519,505	10	2,086,639	9
Other current assets (Notes 15 and 29)	73,958	-	37,179	-
Total current assets	12,706,233	50	8,417,353	38
NON-CURRENT ASSETS				
Investments accounted for using the equity method (Notes 4 and 11)	9,348,185	37	8,761,154	40
Property, plant, and equipment (Notes 4, 12, 14, and 29)	62,733	-	469,914	2
Right-of-use assets (Notes 4 and 13)	161,238	1	1,884	-
Investment properties (Notes 4, 12, and 14)	2,752,677	11	3,935,462	18
Deferred tax assets (Notes 4 and 24)	220,203	1	194,858	1
Refundable deposits	122,516	-	2,289	-
Other non-current assets (Notes 15 and 29)	153,474	-	146,917	1
Total non-current assets	12,821,026	50	13,512,478	62
TOTAL	$ 25,527,259	100	$ 21,929,831	100
LIABILITIES AND EQUITY				
CURRENT LIABILITIES				
Short-term borrowings (Note 16)	$ 1,110,000	4	$ 200,000	1
Financial liabilities at fair value through profit or loss - current (Notes 4 and 7)	-	-	9,218	-
Trade payables from unrelated parties (Note 17)	2,131,366	8	1,984,321	9
Trade payables from related parties (Notes 17 and 29)	8,336,088	33	6,485,983	30
Other payables (Notes 19 and 29)	447,057	2	337,686	2
Current tax liabilities (Notes 4 and 24)	305,539	1	188,011	1
Provisions - current (Notes 4 and 18)	72,123	-	72,955	-
Lease liabilities - current (Notes 4 and 13)	41,383	-	1,906	-
Current portion of long-term borrowings (Note 16)	100,000	1	22,914	-
Other current liabilities (Notes 19 and 29)	186,525	1	761,230	3
Total current liabilities	12,730,081	50	10,064,224	46
NON-CURRENT LIABILITIES				
Long-term borrowings (Note 16)	1,261,397	5	3,099,226	14
Deferred tax liabilities (Notes 4 and 24)	1,066,415	4	1,022,387	5
Lease liabilities - non-current (Notes 4 and 13)	239,506	1	-	-
Net defined benefit liabilities - non-current (Notes 4 and 20)	1,650	-	3,965	-
Guarantee deposits received (Note 14)	526,110	2	412,991	2
Other non-current liabilities (Note 19)	2,997	-	4,291	-
Total non-current liabilities	3,098,075	12	4,542,860	21
Total liabilities	15,828,156	62	14,607,084	67
EQUITY (Notes 4,11,20,21, 24,and 26)				
Capital				
Share capital	1,492,185	6	1,474,805	7
Capital collected in advance	160	-	-	-
Total capital	1,492,345	6	1,474,805	7
Capital surplus	2,105,416	8	2,007,457	9
Retained earnings				
Legal reserve	1,493,942	6	1,390,703	6
Special reserve	454,161	2	481,562	2
Unappropriated earnings	4,698,589	18	2,422,381	11
Total retained earnings	6,646,692	26	4,294,646	19
Other equity				
Exchange differences on translation of the financial statements of foreign operations	(545,350)	(2)	(454,161)	(2)
Total equity	9,699,103	38	7,322,747	33
TOTAL	$ 25,527,259	100	$ 21,929,831	100

The accompanying notes are an integral part of the parent company only financial statements.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
OPERATING REVENUE (Notes 4, 22, and 29)				
Net sales revenue	$ 19,870,213	100.0	$ 17,957,195	100.0
OPERATING COSTS (Notes 4, 5, 10, 12, 13, 23, 26 and 29)				
Cost of goods sold	18,957,514	95.4	16,807,885	93.6
GROSS PROFIT	912,699	4.6	1,149,310	6.4
OPERATING EXPENSES (Notes 4, 12, 13, 20, 23, 26 and 29)				
Selling and marketing expenses	38,469	0.2	33,510	0.2
General and administrative expenses	192,301	0.9	153,399	0.9
Research and development expenses	294,289	1.5	255,178	1.4
Total operating expenses	525,059	2.6	442,087	2.5
PROFIT FROM OPERATIONS	387,640	2.0	707,223	3.9
NON-OPERATING INCOME AND EXPENSES				
Interest income (Note 23)	2,615	-	20,991	0.1
Other income (Notes 4, 23 and 29)	126,939	0.6	89,367	0.5
Net Gain on disposal of property, plant, and equipment (Note 4,13 and14)	721,679	3.6	5	-
Net gain on disposal of investment property (Notes 4, 13 and 14)	1,949,996	9.8	-	-
Net foreign exchange gain (Notes 4, 23 and 30)	93,855	0.5	136,454	0.8
Net gain on financial assets (liabilities) at fair value through profit or loss (Notes 4 and 7)	9,642	0.1	-	-
Miscellaneous disbursements (Note 23)	(58,535)	(0.3)	(26,143)	(0.1)
Loss on financial assets (liabilities) at fair value through profit or loss (Notes 4 and 7)	-	-	(1,197)	-
Finance costs (Note 23)	(26,295)	(0.1)	(26,338)	(0.2)
Share of gain of subsidiaries and associated accounted using the equity method (Notes 4 and 11)	446,367	2.2	372,919	2.1
Total non-operating income	3,266,263	16.4	566,058	3.2
ROFIT BEFORE INCOME TAX	3,653,903	18.4	1,273,281	7.1

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DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Except Earnings Per Share)

	2021		2020	
	Amount	%	Amount	%
INCOME TAX EXPENSE (Notes 4 and 24)	(344,884)	(1.8)	(238,026)	(1.3)
NET PROFIT FOR THE YEAR	3,309,019	16.6	1,035,255	5.8
OTHER COMPREHENSIVE INCOME/(LOSS) (Notes 4, 11, 20, 21, and 24)				
Items that will not be reclassified subsequently to profit or loss:				
Remeasurement of defined benefit plans	1,650	-	(2,866)	-
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translation of the financial statements of foreign operations	(113,986)	(0.5)	34,251	0.2
Income tax relating to items that may be reclassified subsequently to profit or loss	22,797	0.1	(6,850)	(0.1)
	(91,189)	(0.4)	27,401	0.1
Other comprehensive income (loss) for the year, net of income tax	(89,539)	(0.4)	24,535	0.1
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	$ 3,219,480	16.2	$ 1,059,790	5.9
EARNINGS PER SHARE (Note 25)				
Basic	$ 22.42		$ 7.02	
Diluted	$ 22.12		$ 6.94	

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CHANGES IN EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	Capital (Note 21)					Retained Earnings (Note 21)				Other Equity (Notes 4, 21 and 24)	
	Shares (In Thousands)	Share Capital	Capital Collected in Advance	Total	Capital Surplus (Notes 4, 21 and 26)	Legal Reserve	Special Reserve	Unappropriated Earnings	Total	Exchange Differences on Translating of the Financial Statements of Foreign Operations	Total Equity
BALANCE AT JANUARY 1, 2020	147,481	$ 1,474,805	$ -	$ 1,474,805	$ 1,990,190	$ 1,308,131	$ 232,533	$ 2,458,996	$ 3,999,660	$ (481,562)	$ 6,983,093
Appropriation of 2019 earnings											
Legal reserve	-	-	-	-	-	82,572	-	(82,572)	-	-	-
Special reserve	-	-	-	-	-	-	249,029	(249,029)	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(737,403)	(737,403)	-	(737,403)
Other changes in capital surplus:											
Changes in equity of subsidiaries for using the equity method	-	-	-	-	4,800	-	-	-	-	-	4,800
Compensation cost of employee share options	-	-	-	-	12,467	-	-	-	-	-	12,467
Net profit for the year ended December 31, 2020	-	-	-	-	-	-	-	1,035,255	1,035,255	-	1,035,255
Other comprehensive income (loss) for the year ended December 31, 2020, net of income tax	-	-	-	-	-	-	-	(2,866)	(2,866)	27,401	24,535
Total comprehensive income for the year ended December 31, 2020	-	-	-	-	-	-	-	1,032,389	1,032,389	27,401	1,059,790
BALANCE AT DECEMBER 31, 2020	147,481	1,474,805	-	1,474,805	2,007,457	1,390,703	481,562	2,422,381	4,294,646	(454,161)	7,322,747
Appropriation of 2020 earnings											
Legal reserve	-	-	-	-	-	103,239	-	(103,239)	-	-	-
Special reserve	-	-	-	-	-	-	(27,401)	27,401	-	-	-
Cash dividends distributed by the Company	-	-	-	-	-	-	-	(958,623)	(958,623)	-	(958,623)
Other changes in capital surplus:											
Changes in equity of subsidiaries for using the equity method	-	-	-	-	4,650	-	-	-	-	-	4,650
Compensation cost of employee share options	-	-	-	-	12,976	-	-	-	-	-	12,976
Share-based payment transaction	1,738	17,380	160	17,540	80,333	-	-	-	-	-	97,873
Net profit for the year ended December 31, 2021	-	-	-	-	-	-	-	3,309,019	3,309,019	-	3,309,019
Other comprehensive income (loss) for the year ended December 31, 2021, net of income tax	-	-	-	-	-	-	-	1,650	1,650	(91,189)	(89,539)
Total comprehensive income (loss) for the year ended December 31, 2021	-	-	-	-	-	-	-	3,310,669	3,310,669	(91,189)	3,219,480
BALANCE AT DECEMBER 31, 2021	149,219	$ 1,492,185	$ 160	$ 1,492,345	$ 2,105,416	$ 1,493,942	$ 454,161	$ 4,698,589	$ 6,646,692	$ (545,350)	$ 9,699,103

The accompanying notes are an integral part of the parent company only financial statements.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before income tax	$ 3,653,903	$ 1,273,281
Adjustments for		
Depreciation expense	62,095	52,389
Amortization expense	16,308	12,664
Net loss on financial assets and liabilities at fair value through profit or loss	-	9,218
Finance costs	26,295	26,338
Interest income	(2,615)	(20,991)
Compensation cost of employee share options	12,976	12,467
Share of gain of subsidiaries and associated accounted using the equity method	(446,367)	(372,919)
Gain on disposal of property, plant, and equipment	(721,679)	(5)
Gain on disposal of investment property	(1,949,996)	-
Inventory write-downs (reversed)	108,235	(65,696)
Reversal of provisions	(832)	(44,660)
Changes in operating assets and liabilities		
Trade receivables from unrelated parties	(657,779)	(713,309)
Trade receivables from related parties	(1,265,512)	1,701,800
Other receivables	2,102	1,405
Other receivables from related parties	815	(596)
Inventories	(541,101)	(673,980)
Other current assets	(36,779)	(4,981)
Financial liabilities at fair value through profit or loss - current	(9,218)	(760)
Trade payables from unrelated parties	147,045	747,092
Trade payables from related parties	1,850,105	(2,163,566)
Other payables	14,953	(125,906)
Other current liabilities	(574,705)	460,265
Net defined benefit liabilities	(665)	(702)
Other non-current liabilities	(1,294)	567
Cash generated from operations	(313,710)	109,415
Interest received	2,919	25,237
Income tax paid	(155,874)	(39,773)
Net cash (used in)/generated from operating activities	(466,665)	94,879
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of financial assets at amortized cost	($ 2,082,500)	($ 3,296,996)
Proceeds from sale of financial assets at amortized cost	1,062,165	4,001,112
Purchase of Investments accounted for using the equity method	(280,000)	-
Payments for property, plant and equipment	(56,487)	(25,876)
Proceeds from disposal of property, plant and equipment	1,215,645	-
Increase in refundable deposits	(121,327)	-
Decrease in refundable deposits	1,100	3
Payments for investment properties	(895)	(31,148)
Proceeds from disposal of investment properties	3,277,496	-

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DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

PARENT COMPANY ONLY STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars)

	2021	2020
Increase in other non-current assets	(41,642)	(65,461)
Dividend received from subsidiary	30,000	-
Income tax paid	(30,002)	-
Net cash generated from investing activities	2,973,553	581,634
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from short-term borrowings	4,010,000	200,000
Repayments of short-term borrowings	(3,100,000)	-
Proceeds from long-term borrowings	3,579,740	4,096,140
Repayments of long-term borrowings	(5,340,483)	(4,250,000)
Proceeds from guarantee deposits received	113,119	147,657
Repayment of the principal portion of lease liabilities	(3,789)	(1,884)
Casn dividends distributed	(958,623)	(737,403)
Proceeds from employee share options	97,873	-
Interest paid	(25,895)	(26,262)
Net cash used in financing activities	(1,628,058)	(571,752)
EFFECTS OF EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS	(5,165)	(14,008)
NET INCREASE IN CASH AND CASH EQUIVALENTS	873,665	90,753
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	1,402,740	1,311,987
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	$ 2,276,405	$ 1,402,740

The accompanying notes are an integral part of the parent company only financial statements. (Concluded)

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

NOTES TO PARENT COMPANY ONLY FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2021 AND 2020
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

1. GENERAL INFORMATION

Dynapack International Technology Corporation (the "Company") was incorporated in the Republic of China (ROC) on July 15, 1998. The Company mainly manufactures and sells lithium-ion battery packs.

The Company's shares have been listed on the Taipei Exchange (TPEx) since November 8, 2004.

The parent company only financial statements are presented in NTD, the Company's functional currency, the New Taiwan dollar.

2. APPROVAL OF FINANCIAL STATEMENTS

This parent company only financial report was approved by the Company's t board of directors on March 8, 2022.

3. APPLICATION OF NEW, AMENDED AND REVISED STANDARDS AND INTERPRETATIONS

a. Initial application of the amendments to the International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), IFRIC Interpretations (IFRIC), and SIC Interpretations (SIC) (collectively, the "IFRSs") endorsed and issued into effect by the Financial Supervisory Commission (FSC)

   The initial application of the IFRSs endorsed and issued into effect by the FSC did not have material impact on the Company's accounting policies.

b. The IFRSs endorsed by the FSC for application starting from 2022

New IFRSs	Effective Date Announced by IASB
"Annual Improvements to IFRS Standards 2018-2020"	January 1, 2022 (Note 1)
Amendments to IFRS 3 "Reference to the Conceptual Framework"	January 1, 2022 (Note 2)
Amendments to IAS 16 "Property, Plant and Equipment - Proceeds before Intended Use"	January 1, 2022 (Note 3)
Amendments to IAS 37 "Onerous Contracts - Cost of Fulfilling a Contract"	January 1, 2022 (Note 4)

Note 1: The amendments to IFRS 9 will be applied prospectively to modifications and exchanges of financial liabilities that occur on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IAS 41 "Agriculture" will be applied prospectively to the fair value measurements on or after the annual reporting periods beginning on or after January 1, 2022. The amendments to IFRS 1 "First-time Adoptions of IFRSs" will be applied retrospectively for annual reporting periods beginning on or after January 1, 2022.

Note 2: The amendments are applicable to business combinations for which the acquisition date is on or after the beginning of the annual reporting period beginning on or after January 1, 2022.

Note 3: The amendments are applicable to property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after January 1, 2021.

Note 4: The amendments are applicable to contracts for which the entity has not yet fulfilled all its obligations on January 1, 2022.

As of the date the parent company only financial statements were authorized for issue, the Company has assessed that the application of other standards and interpretations will not have a material impact on the Group's financial position and financial performance.

c. New IFRSs in issue but not yet endorsed and issued into effect by the FSC

New IFRSs	**Effective Date Announced by IASB (Note 1)**
Amendments to IFRS 10 and IAS 28 "Sale or Contribution of Assets between An Investor and Its Associate or Joint Venture"	To be determined by IASB
IFRS 17 "Insurance Contracts"	January 1, 2023
Amendments to IFRS 17	January 1, 2023
Amendments to IFRS 17 "Initial Application of IFRS 9 and IFRS 17—Comparative Information"	January 1, 2023
Amendments to IAS 1 "Classification of Liabilities as Current or Non-current"	January 1, 2023
Amendments to IAS 1 "Disclosure of Accounting Policies"	January 1, 2023 (Note 2)
Amendments to IAS 8 "Definition of Accounting Estimates"	January 1, 2023 (Note 3)
Amendments to IAS 12 "Deferred Tax related to Assets and Liabilities arising from a Single Transaction"	January 1, 2023 (Note 4)

Note 1: Unless stated otherwise, the above New IFRSs are effective for annual reporting periods beginning on or after their respective effective dates.

Note 2: The amendments will be applied prospectively for annual reporting periods beginning on or after January 1, 2023.

Note 3: The amendments are applicable to changes in accounting estimates and changes in accounting policies that occur on or after the beginning of the annual reporting period beginning on or after January 1, 2023.

Note 4: Except for deferred taxes that will be recognized on January 1, 2022 for temporary differences associated with leases and decommissioning obligations, the amendments will be applied prospectively to transactions that occur on or after January 1, 2022.

As of the date the parent company only financial statements were authorized for issue, the Company is continuously assessing the possible impact that the application of other standards and interpretations will have on the Company's financial position and financial performance and will disclose the relevant impact when the assessment is completed.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Statement of compliance

The parent company only financial statements have been prepared in accordance with Regulations Governing the Preparation of Financial Reports by Securities Issuers.

b. Basis of preparation

This parent company only financial report has been prepared based on historical cost basis except for financial instruments which are measured at fair value and net defined benefit liabilities which are measured at the present value of the defined benefit obligation less the fair value of plan assets.

The fair value measurements, which are grouped into Levels 1 to 3 based on the degree to which the fair value measurement inputs are observable and based on the significance of the inputs to the fair value measurement in its entirety, are described as follows:

1) Level 1 inputs are quoted prices (unadjusted) on the measurement date in active markets for identical assets or liabilities;

2) Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

3) Level 3 inputs are unobservable inputs for an asset or liability.

When preparing the parent company only financial statements, the Company use the equity method to account for its investments in subsidiaries and associated companies. Amounts of profit, other comprehensive income, and equity presented in the parent company only financial report and amounts of profit, other comprehensive income, and equity attributable to the Company's owners shown in the consolidated financial report are consistent. There is no difference in accounting treatment between the parent company only basis and the consolidated basis.

c. Classification of current and non-current assets and liabilities

Current assets include:

1) Assets held primarily for the purpose of trading;

2) Assets expected to be realized within 12 months after the reporting period; and

3) Cash and cash equivalents unless the asset is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period.

Current liabilities include:

1) Liabilities held primarily for the purpose of trading;

2) Liabilities due to be settled within 12 months after the reporting period, even if an agreement to refinance, or to reschedule payments, on a long-term basis is completed after the reporting period and before the consolidated financial statements are authorized for issue; and

3) Liabilities for which the Group does not have an unconditional right to defer settlement for at least 12 months after the reporting period.

Assets and liabilities that are not classified as current are classified as non-current.

d. Foreign Currency

In preparing the parent company only financial statements, transactions denominated in currencies other than the functional currency (i.e. foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions.

At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items arising from settlement or translation are recognized in profit or loss in the period in which they arise.

Non-monetary items denominated in foreign currencies that are measured at fair value are retranslated at the rates prevailing at the date when the fair value is determined. Exchange differences arising from the retranslation of non-monetary items are included in profit or loss for the period except for exchange differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognized directly in other comprehensive income; in which cases, the exchange differences are also recognized directly in other comprehensive income.

Non-monetary item denominated in a foreign currency and measured at historical cost is stated at the reporting currency as originally translated from the foreign currency.

For the purpose of presenting parent company only financial statements, the financial statements of the Company's foreign operations (including subsidiaries in other countries) that are prepared using functional currencies which are different from the currency of the Company are translated into the presentation currency, the New Taiwan dollar, as follows: Assets and liabilities are translated at the exchange rates prevailing at the end of the reporting period; and income and expense items are translated at the average exchange rates for the period. The resulting currency translation differences are recognized in other comprehensive income.

e. Inventories

Inventories consist of raw materials, supplies, finished goods and merchandise inventories and are stated at the lower of cost or net realizable value. Inventory write-downs are made by item, except where it may be appropriate to group similar or related items. The net realizable value is the estimated selling price of inventories less all estimated costs of completion and costs necessary to make the sale. Inventories are recorded at the weighted-average cost.

At the end of the period, the inventory obsolescence losses are assessed based on the actual inventory status.

f. Investments accounted for using the equity method

The Company use the equity method to account for its investments in subsidiaries and associated companies.

1) Investments in subsidiary

A subsidiary is an entity that is controlled by the Company.

Under the equity method, an investment in a subsidiary is initially recognized at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the subsidiary as well as the distribution received. The Company also recognized its share in the changes in the equity of subsidiaries.

Profits or losses resulting from downstream transactions are eliminated in full only in the Company's financial statements. Profits and losses resulting from upstream transactions and transactions between subsidiaries are recognized in the parent company's financial statements only to the extent that are not related to the Company's equity in subsidiaries.

The Company assesses its investment for any impairment by comparing the carrying amount with the estimated recoverable amount as assessed based on the investee's financial statements as a whole. Impairment loss is recognized when the carrying amount exceeds the recoverable amount. If the recoverable amount of the investment subsequently increases, the Company recognizes a reversal of the impairment loss; the adjusted post-reversal carrying amount should not exceed the carrying amount that would have been recognized had no impairment loss been recognized in prior years.

2) Investments in associates

An associated company is an entity in which the Company has significant influence and that is neither a subsidiary nor a joint venture.

Under the equity method, an investment in an associate is initially recognized in the statement of financial position at cost and adjusted thereafter to recognize the Company's share of profit or loss and other comprehensive income of the associate as well as the distribution received. The Company also recognizes its share in the changes in the equities of associates

When assessing impairments, the entire carrying amount of the investment is tested for impairment as a single asset by comparing its recoverable amount with its carrying amount. Any impairment loss recognized forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized to the extent that the recoverable amount of the investment subsequently increases.

g. Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost less accumulated depreciation and accumulated impairment loss.

Property, plant and equipment in the course of construction are measured at cost less any recognized impairment loss. Such assets are depreciated and classified to the appropriate categories of property, plant and equipment when completed and ready for their intended use.

The depreciation of property, plant and equipment is recognized using the straight-line method within useful lives. Each significant part is depreciated separately. The estimated useful lives, residual values and depreciation methods are reviewed at the end of each reporting period, with the effects of any changes in the estimates accounted for on a prospective basis.

On derecognition of an item of property, plant and equipment, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

h. Investment properties

Investment properties are properties held to earn rental and/or for capital appreciation. Investment properties also include land held for a currently undetermined future use.

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at cost less accumulated depreciation and accumulated impairment loss.

Depreciation is recognized using the straight-line method.

Investment properties under construction are measured at cost less accumulated impairment loss. Depreciation of these assets commences when the assets are ready for their intended use.

On derecognition of an investment property, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss.

i. Impairment of property, plant and equipment and right-of-use assets and investment properties

At the end of each reporting period, the Company reviews the carrying amounts of its property, plant and equipment and right-of-use assets and investment properties to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Corporate assets are allocated to the smallest Company of cash-generating units on a reasonable and consistent basis of allocation.

The recoverable amount is the higher of fair value less costs to sell and value in use. If the recoverable amount of an asset or cash-generating unit is estimated to be less than its carrying amount, the carrying amount of the asset or cash-generating unit is reduced to its recoverable amount, with the resulting impairment loss recognized in profit or loss.

When an impairment loss is subsequently reversed, the carrying amount of the corresponding asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but only to the extent of the carrying amount (net of amortization or depreciation) that would have been determined had no impairment loss been recognized on the asset or cash-generating unit in prior years. A reversal of an impairment loss is recognized in profit or loss.

j. Financial instruments

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issuance of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition or issuance of financial assets or financial liabilities at FVTPL are recognized immediately in profit or loss.

1) Financial assets

All regular transactions of financial assets are recognized and derecognized on a trade date basis.

a) Measurement categories

Financial assets are classified into financial assets at amortized cost.

Financial assets at amortized cost

Financial assets that meet the following conditions are subsequently measured at amortized cost:

i) The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and

ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Subsequent to initial recognition, financial assets at amortized cost, including cash and cash equivalents, and trade receivables are measured at amortized cost, which equals the gross carrying amount determined using the effective interest method less any impairment loss. Exchange differences are recognized in profit or loss.

Interest income is calculated by applying the effective interest rate to the gross carrying amount of such a financial asset, except for:

i) Purchased or originated credit impaired financial assets, for which interest income is calculated by applying the credit adjusted effective interest rate to the amortized cost of such financial assets; and

ii) Financial assets that are not credit impaired on purchase or origination but have subsequently become credit impaired, for which interest income is calculated by applying the effective interest rate to the amortized cost of such financial assets in subsequent reporting periods.

A financial asset is credit impaired when one or more of the following events have occurred:

i) Significant financial difficulty of the issuer or the borrower;

ii) Breach of contract, such as a default;

iii) It is becoming probable that the borrower will enter bankruptcy or undergo a financial reorganization; or

iv) The disappearance of an active market for that financial asset because of financial difficulties.

Cash equivalents include time deposits with original maturities within 3 months from the date of acquisition, which are highly liquid, readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These cash equivalents are held for the purpose of meeting short-term cash commitments.

b) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets at amortized cost (including trade receivables).

The Company always recognizes lifetime Expected Credit Losses (ECLs) for trade receivables. For all other financial instruments, the Company recognizes lifetime ECLs when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECLs.

Expected credit losses reflect the weighted average of credit losses with the respective risks of default occurring as the weights. Lifetime ECLs represent the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECLs represent the portion of lifetime ECLs that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

For internal credit risk management purposes, the Company considers the following situations as indication that a financial asset is in default (without taking into account any collateral held by the Company):

i. Internal or external information shows that the debtor is unlikely to pay its creditors.

ii. When a financial asset is more than 12 months past due unless the Company has reasonable and corroborative information to support a more lagged default criterion.

The impairment loss of all financial assets is recognized in profit or loss by a reduction in their carrying amounts through a loss allowance account.

c) Derecognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset at amortized cost in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

2) Equity instruments

Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3) Financial liabilities

a) Subsequent measurement

Except financial liabilities at FVTPL, all financial liabilities are measured at amortized cost using the effective interest method.

Financial liabilities at FVTPL, which are held for trading, are stated at fair value, and any gains or losses on such financial liabilities are recognized in other gains or losses; any remeasurement gains or losses on such financial liabilities are recognized in other gains or losses.

Fair value is determined in the manner described in Note 28.

b) Derecognition of financial liabilities

The difference between the carrying amount of the financial liability derecognized and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in profit or loss.

4) Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, which mainly include cross-currency swap contracts.

Derivatives are initially recognized at fair value at the date on which the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately. When the fair value of a derivative financial instrument is positive, the derivative is recognized as a financial asset; when the fair value of a derivative financial instrument is negative, the derivative is recognized as a financial liability.

Derivatives embedded in hybrid contracts that contain financial asset hosts that is within the scope of IFRS 9 are not separated; instead, the classification is determined in accordance with the entire hybrid contract. Derivatives embedded in non-derivative host contracts that are not financial assets within the scope of IFRS 9 (e.g., financial liabilities) are treated as separate derivatives when they meet the definition of a derivative; their risks and characteristics are not closely related to those of the host contracts; and the host contracts are not measured at FVTPL.

k. Provisions

Provisions, if the time value of money has a significant impact, are measured at the best estimate of the discounted cash flows of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Warranties

Provisions for the expected cost of warranty obligations in sales contracts are recognized at the date of sale of the relevant products at the best estimate by the management of the Company of the expenditure required to settle the Company’s obligation.

l. Revenue recognition

The Company identifies contracts with customers, allocates the transaction price to the performance obligations and recognizes revenue when performance obligations are satisfied.

Revenue from the sale of goods

The revenue of the Company from the sale of goods mainly comes from sales of lithium-ion battery packs. Sales of lithium-ion battery packs are recognized as revenue when the goods are shipped or when the customers pick up the goods from a specific location because it is the time when the customer has full discretion over the manner of distribution and price to sell the goods, has the primary responsibility for sales to future customers and bears the risks of obsolescence. Trade receivables are recognized concurrently.

The Company does not recognize revenue on materials delivered to subcontractors because this delivery does not involve a transfer of control.

m. Leases

At the inception of a contract, the Company assesses whether the contract is, or contains, a lease.

1) The Company as lessor

Leases are classified as finance leases whenever the terms of a lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Lease payments (less any lease incentives payable) from operating leases are recognized as income on a straight-line basis over the terms of the relevant leases. Initial direct costs incurred in obtaining operating leases are added to the carrying amounts of the underlying assets and recognized as expenses on a straight-line basis over the lease terms.

2) The Company as lessee

The Company recognizes right-of-use assets and lease liabilities for all leases at the commencement date of a lease, except for short-term leases and low-value asset leases accounted for by applying a recognition exemption where lease payments are recognized as expenses on a straight-line basis over the lease terms.

Right-of-use assets are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs needed to restore the underlying assets, and less any lease incentives received. Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liabilities. Right-of-use assets are presented on a separate line in the parent company only balance sheets.

Right-of-use assets are depreciated using the straight-line method from the commencement dates to the earlier of the end of the useful lives of the right-of-use assets or the end of the lease terms.

Lease liabilities are initially measured at the present value of the lease payments, which comprise fixed payments. The lease payments are discounted using the interest rate implicit in a lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee's incremental borrowing rate will be used.

Subsequently, lease liabilities are measured at amortized cost using the effective interest method, with interest expense recognized over the lease terms. When there is a change in future lease payments resulting from a change in a lease term, the Company remeasures the lease liabilities with a corresponding adjustment to the right-of-use-assets. However, if the carrying amount of the right-of-use assets is reduced to zero, any remaining amount of the remeasurement is recognized in profit or loss. Lease liabilities are presented on a separate line in the parent company only balance sheets.

For sale and leaseback transactions, if the transfer of an asset satisfies the requirements of IFRS 15 to be accounted for as a sale, the Group recognizes only the amount of any gain or loss which relates to the rights transferred to the buyer-lessor, and adjusts the off-market terms to measure the sale proceeds at fair value. If the transfer does not satisfy the requirements of IFRS 15 to be accounted for as a sale, it is accounted for as a financing transaction.

n. Employee benefits

1) Short-term employee benefits

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related services.

2) Retirement benefits

Payments to defined contribution retirement benefit plans are recognized as expenses when employees have rendered services entitling them to the contributions.

Defined benefit costs (including service cost, net interest and remeasurement) under defined benefit retirement benefit plans are determined using the projected unit credit method. Service cost and net interest on the net defined benefit liability are recognized as employee benefits expense in the period in which they occur. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding interest), is recognized in other comprehensive income in the period in which it occurs. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Net defined benefit liability represents the actual deficit in the Group's defined benefit plan. Any surplus resulting from this calculation is limited to the present value of any refunds from the plans or reductions in future contributions to the plans.

3) Other long-term employee benefits

Other long-term employee benefits are accounted for in the same way as the accounting required for defined benefit plans except that remeasurement is recognized in profit or loss.

o. Share-based payment arrangements

1) Employee share options granted to employees

The fair value at the grant date of the employee share options is expensed on a straight-line basis over the vesting period, based on the Company's best estimates of the number of shares or options that are expected to ultimately vest, with a corresponding increase in capital surplus - employee share options.

At the end of each reporting period, the Company revises its estimate of the number of employee share options that are expected to vest. The impact of the revision of the original estimates is recognized in profit or loss such that the cumulative expenses reflect the revised estimate, with a corresponding adjustment to capital surplus - employee share options.

2) Share-based payment arrangement for equity granted to subsidiaries' employees

The Company grants subsidiaries' employees share options that can be exercised in exchange for equity instruments of the Company. These transactions are accounted as capital investments from the Company to subsidiaries, and are measured at the fair value of equity instrument as of the grant date. The Company recognizes increase in the book value of subsidiary investments over the vesting period against a corresponding adjustment to capital surplus - employee share options.

p. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

1) Current tax

According to the Income Tax Law in the ROC, an additional tax on unappropriated earnings is provided for in the year the shareholders approve to retain earnings.

Adjustments of prior years' tax liabilities are added to or deducted from the current year's tax provision.

2) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities are recognized for taxable temporary differences associated with investments in subsidiaries and associates, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are recognized only to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and such temporary differences are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered. A previously unrecognized deferred tax asset is also reviewed at the end of each reporting period and recognized to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liabilities are settled or the assets are realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

3) Current and deferred taxes

Current tax and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity; in which case, the current and deferred taxes are also recognized in other comprehensive income or directly in equity, respectively.

5. CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company’s accounting policies, management is required to make judgments, estimations, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revisions affect only that period or in the period of the revisions and future periods if the revisions affect both current and future periods.

a. Write-down of inventories

The net realizable value of inventories is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale. The estimation of net realizable value is based on current market conditions and historical experience in the sale of product of a similar nature. Changes in market conditions may have a material impact on the estimation of the net realizable value.

b. Estimated impairment of financial assets

The estimate for impairment of trade receivables is based on assumptions of risk of default and expected loss rates. Where the actual future cash inflows are less than expected, a material impairment loss may arise.

6. CASH AND CASH EQUIVALENTS

	December 31 2021	December 31 2020
Cash on hand	$ 494	$ 494
Checking accounts and demand deposits	2,075,911	1,402,246
Cash equivalents		
Time deposits with original maturities less than 3 months	200,000	-
	$ 2,276,405	$ 1,402,740

The ranges of interest rates for bank deposits at the end of the reporting period were as follows:

	December 31 2021	December 31 2020
Bank deposits	0.01%～0.35%	0.01%～0.33%

7. **FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS** (December 31 2021: None)

	December 31 2020
Financial liabilities at FVTPL - current	
Financial liabilities mandatorily classified as at FVTPL	
Derivative financial liabilities (not under hedge accounting)	
Cross-currency swap contracts	$ 9,218

At the end of the year, the Company's transactions and contracts of derivative financial instruments not under hedge accounting were as follows:

Cross-currency swap contracts

Notional Amount (In Thousands)	Maturity Date	Range of Interest Rates Paid	Range of Interest Rates Received
December 31, 2020			
USD20,000/NTD579,400	January 2021	-	0.04%~0.05%

The Company entered into cross-currency swap contracts to manage exposures to exchange rate and interest rate fluctuations of foreign currency denominated assets and liabilities. Those contracts did not meet the criteria of hedge effectiveness and therefore were not accounted for using hedge accounting.

Since the Company entered into cross-currency swap contracts, it recognized net gain of $9,642 thousand and net loss of $1,197 thousand on FVTPL in 2021 and 2020, respectively.

8. FINANCIAL ASSETS AT AMORTIZED COST – CURRENT

	December 31	
	2021	2020
Time deposits with original maturities more than 3 months	$ 1,600,000	$ 574,500

The ranges of interest rates for time deposits with original maturities more than 3 months were approximately 0.35% and 0.37%-0.42% per annum as of December 31, 2021 and 2020, respectively.

9. TRADE RECEIVABLES

	December 31	
	2021	2020
unrelated parties		
Trade receivables - at amortized cost	$ 4,956,346	$ 4,298,567
Related parties		
Trade receivables - at amortized cost	$ 1,265,512	$ -

The credit period of sales of goods was approximately 30 to 90 days. No interest was charged as a result of the shorter credit period.

In order to control credit risk and ensure the recoverable amount of trade receivables, the management of the Company has evaluated individual customers' financial positions to determine credit limits and subsequently monitored the factors possibly affecting customers' payment ability such as its own trading records and current economic conditions.

The Company adopts the simplified approach of IFRS 9 to measure the loss allowance for trade receivables at an amount equal to lifetime expected credit losses. The ECLs on trade receivables are estimated using a provision matrix and considers the number of days overdue of the customer's trade receivables, current financial position and industrial economic condition to set the expected credit loss rate. In addition, the Company reviews the recoverable amount of each individual trade receivables at the each end of the reporting period to ensure that adequate allowance is made for amounts possibly having credit risk. In this regard, the management believes the Company's credit risk was significantly reduced.

Using the provision matrix, the management has determined the expected credit loss rate at zero, and therefore reported zero ECL as of December 31, 2021 and 2020.

Aging analysis of trade receivables was as follows:

December 31, 2021

	Not Past Due	Less than 1-30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
Gross carrying amount							
Amortized cost	$6,193,436	$ 27,543	$ 238	$ 566	$ 75	$ -	$6,221,858

December 31, 2020

	Not Past Due	Less than 1-30 days	31-60 days	61-90 days	91-180 days	Over 180 days	Total
Gross carrying amount							
Amortized cost	$4,280,144	$ 17,832	$ 591	$ -	$ -	$ -	$4,298,567

10.INVENTORIES

	December 31	
	2021	2020
Finished goods	$ 1,150,318	$ 1,174,158
Raw materials	1,369,187	912,481
	$ 2,519,505	$ 2,086,639

The cost of inventories recognized as cost of goods sold for the years ended December 31, 2021 and 2020 was $18,957,514 thousand and $16,807,885 thousand, respectively.

The cost of goods sold for the years ended December 31, 2021 and 2020 included inventory write-downs of $108,235 thousand and inventory write-downs reversed of $65,696 thousand, respectively.

11.INVESTMENTS ACCOUNTED FOR USING THE EQUITY METHOD

	December 31	
	2021	2020
Investments in subsidiary	$ 9,334,468	$ 8,746,676
Investments in associate	13,717	14,478
	$ 9,348,185	$ 8,761,154

a. Investments in subsidiary

	December 31	
	2021	2020
Non-listed companies		
Dynapack Technologies (Cayman) Corporation (hereinafter referred to as the "Dynapack (Cayman)")	$ 8,765,548	$ 8,499,522
Dynapack Investment Corporation	568,920	247,154
	$ 9,334,468	$ 8,746,676

The Company's percentage of ownership and voting rights in subsidiaries at the end of the year are as follows, and for the rest of the relevant information, refer to Table 5.

	December 31	
Investee	2021	2020
Dynapack (Cayman)	100%	100%
Dynapack Investment Corporation	100%	100%

As of December 31, 2021, the Company has invested in Dynapack (Cayman) US$84,186 thousand, then reinvested US$72,300 thousand in Dynapack (Hong Kong), and then reinvested US$72,100 thousand in Dynapack (Suzhou) Co., Ltd.

Dynapack (Hong Kong) reduced the capital by cash in July 2021, and Dynapack (Cayman) received repatriations of US$10,000 thousand. Dynapack (Hong Kong) completed capital reduction process in October 2021.

In order to meet the needs of Dynapack Investment Corporation's investment business, the Company's board of directors resolved to subscribe the cash capital increase of $280,000 thousand to Dynapack Investment Corporation on March 9, 2021. The record date of cash capital increase was March 31, 2021. As of December 31, 2021, the Company has invested $480,000 thousand in Dynapack Investment Corporation.

After considering the market operating environment and group operating strategy, production and operation functions of Dynapack (Kunshan) Co., Ltd., ended at the end of 2017 and the liquidation process was completed in July 2021.

Share of profit and loss and other comprehensive income from equity-accounted subsidiaries in 2021 and 2020 were recognized based on audited financial statements of the respective subsidiaries for the corresponding periods.

b. Investments in associate

	December 31	
	2021	**2020**
Associate that is not individually material		
Chih Ho Shun Development Co., Ltd.	$ 13,717	$ 14,478

The Company's percentage of ownership and voting rights in associate that is not individually material at the end of the year are as follows, and for the rest of the relevant information, refer to Table 5.

	December 31	
Name of Associate	**2021**	**2020**
Chih Ho Shun Development Co., Ltd.	30%	30%

For "Taoyuan Airport MRT A7 Station Development Zone Industrial Zone (Bid A) Bidding Investment Project", the Company jointly invested and established Chih Ho Shun Development Co., Ltd. in April 2012 with Chroma ATE Inc. and HERAN Co., Ltd. As of December 31, 2021, the Company has invested $15,000 thousand in Chih Ho Shun Development Co., Ltd. with a 30% of ownership.

The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with IFRSs adjusted by the Company for equity accounting purposes.

	December 31	
	2021	**2020**
Current assets	$ 44,271	$ 47,338
Non-current assets	1,797	1,274
Current liabilities	(344)	(352)
Equity	$ 45,724	$ 48,260

	For the Year Ended December 31	
	2021	**2020**
Net loss for the year	($ 2,536)	($ 2,084)

Investments accounted for using the equity method and the share of profit and loss by the Company is calculated based on the financial statements of Chih Ho Shun Development Co., Ltd., that have not been audited by a certified public accountant. However, the management of the Company believes that the above financial statements of the investee, which were not audited by a certified public accountant, did not have a significant impact.

12.PROPERTY, PLANT AND EQUIPMENT

	2021						
	Land	Buildings	Machinery Equipment	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost							
Balance at January 1, 2021	$ 113,106	$ 273,107	$ 19,419	$ 10,715	$ 27,184	$ 62,703	$ 506,234
Additions	-	-	20,588	-	11,562	19,756	51,906
Reclassification	-	-	193	-	(193)	-	-
Disposals	(106,463)	(273,107)	(146)	(2,305)	(161)	(74,396)	(456,578)
Balance at December 31, 2021	$ 6,643	$ -	$ 40,054	$ 8,410	$ 38,392	$ 8,063	$ 101,562
Accumulated depreciation and impairment							
	$ -	$ 10,888	$ 4,165	$ 4,657	$ 11,684	$ 4,926	$ 36,320
Balance at January 1, 2021	-	7,708	6,137	1,686	10,163	7,916	33,610
Depreciation expense	-	-	16	-	(16)	-	-
Disposals	-	(18,596)	(11)	(2,305)	(87)	(10,102)	(31,101)
Balance at December 31, 2021	$ -	$ -	$ 10,307	$ 4,038	$ 21,744	$ 2,740	$ 38,829
Carrying amount at December 31, 2021	$ 6,643	$ -	$ 29,747	$ 4,372	$ 16,648	$ 5,323	$ 62,733

	2020						
	Land	Buildings	Machinery Equipment	Transportation Equipment	Office Equipment	Other Equipment	Total
Cost							
Balance at January 1, 2020	$ 98,592	$ 239,168	$ 8,425	$ 8,337	$ 25,576	$ 20,786	$ 400,884
Additions	-	4,056	11,370	3,915	3,689	41,917	64,947
Reclassification (Note 14)	14,514	29,883	-	-	-	-	44,397
Disposals	-	-	(376)	(1,537)	(2,081)	-	(3,994)
Balance at December 31, 2020	113,106	273,107	19,419	10,715	27,184	62,703	506,234
Accumulated depreciation and impairment							
Balance at January 1, 2020	-	2,404	1,569	4,687	5,555	1,398	15,613
Depreciation expense	-	8,484	2,972	1,411	8,210	3,528	24,605
Disposals	-	-	(376)	(1,441)	(2,081)	-	(3,898)
Balance at December 31, 2020	-	10,888	4,165	4,657	11,684	4,926	36,320
Carrying amount at December 31, 2020	$ 113,106	$ 262,219	$ 15,254	$ 6,058	$ 15,500	$ 57,777	$ 469,914

Refer to Note 14 for details about disposals of land and building.

The Company had no capitalized interest and did not recognize any impairment loss for the years ended December 31, 2021 and 2020 as there was no indication of impairment.

The above items of property, plant and equipment used by the Company are depreciated on a straight-line basis over their estimated useful lives as follows:

Buildings	
Main building	50 years
Electromechanical power	15 years
Factory engineering	10 years
Machinery Equipment	3-5 years
Transportation Equipment	5 years
Office Equipment	3-5 years
Other Equipment	3-10 years

13.LEASES ARRANGEMENTS

a. Right-of-use assets

	2021		
	Buildings	Transportation Equipment	TOTAL
Cost			
Balance At January 1, 2021	$ -	$ 5,653	$ 5,653
Additions	162,266	-	162,266
Balance At December 31, 2021	$ 162,266	$ 5,653	$ 167,919
Accumulated Depreciation			
Balance At January 1, 2021	$ -	$ 3,769	$ 3,769
Depreciation Expense	1,028	1,884	2,912
Balance At December 31, 2021	$ 1,028	$ 5,653	$ 6,681
Carrying Amount At December 31, 2021	$ 161,238	$ -	$ 161,238

	2020
	Transportation Equipment
Cost	
Balance at January 1, 2020 and December 31, 2020	$ 5,653
Accumulated depreciation	
Balance at January 1, 2020	$ 1,884
Depreciation expense	1,885
Balance at December 31, 2020	$ 3,769
Carrying amount at December 31, 2020	$ 1,884

The Company did not recognize any impairment for the years ended December 31, 2021 and 2020 as there was no indication of impairment.

b. Lease liabilities

	December 31	
	2021	2020
Carrying amount		
Current	$ 41,383	$ 1,906
Non-current	$ 239,506	$ -

Range of discount rate for lease liabilities was as follows:

	December 31	
	2021	2020
Transportation equipment	1.14%	1.14%
Buildings	0.90%	-

c. Material leasing activities and terms

The Company leases transportation equipment for operation with lease term of 3 years. Part of the lease agreement contains renewal options at the end of the lease period.

In November 2021, the Company signed the trading contract for real estate to sell its building and the lease agreement to lease back 5 floors for operations with lease terms from 5 to 10 years. According to the lease agreement, the Company has the right and option to renew the lease. The annual lease payment is $43,740 thousand for the first four years, $45,088 thousand for the 5th year, $14,268 thousand for the 6th to 8th years, and $14,716 thousand for the 9th and 10th years. Refer to Note 14 for details about the sale of land and building.

d. Other lease information

	For the Year Ended December 31	
	2021	2020
Expenses relating to short-term leases	$ 34	$ 26
Total cash outflow for leases	($ 3,951)	($ 1,943)

The Company elected to apply the recognition exemption of short-term leases and thus, did not recognize right-of-use assets and lease liabilities for these leases.

14. INVESTMENT PROPERTIES

	2021		
	Land	Buildings	Total
Cost			
Balance at January 1, 2021	$ 3,088,555	$ 881,660	$ 3,970,215
Additions	895	-	895
Disposals	(336,773)	(881,660)	(1,218,433)
Balance at December 31, 2021	$ 2,752,677	$ -	$ 2,752,677
Accumulated depreciation			
Balance at January 1, 2021	$ -	$ 34,753	$ 34,753
Depreciation expense	-	25,573	25,573
Disposals	-	(60,326)	(60,326)
Balance at December 31, 2021	$ -	$ -	$ -
Carrying amount at December 31, 2021	$ 2,752,677	$ -	$ 2,752,677

	2020		
	Land	**Buildings**	**Total**
Cost			
Balance at January 1, 2020	$ 3,102,511	$ 880,953	$ 3,983,464
Additions	558	30,590	31,148
Reclassification (Note 12)	(14,514)	(29,883)	(44,397)
Balance at December 31, 2020	$ 3,088,555	$ 881,660	$ 3,970,215
Accumulated depreciation			
Balance at January 1, 2020	$ -	$ 8,854	$ 8,854
Depreciation expense	-	25,899	25,899
Balance at December 31, 2020	$ -	$ 34,753	$ 34,753
Carrying amount at December 31, 2020	$ 3,088,555	$ 846,907	$ 3,935,462

The investment properties are depreciated using the straight-line method over their estimated useful lives as follows:

Buildings	
Main building	50 years
Electromechanical power	15 years
Factory engineering	10 years

The fair value of investment property was based on valuations carried out by independent qualified professional valuers, and the fair value was measured using Level 3 inputs. The valuation of the land was arrived at by reference to comparison approach and land development analysis approach. The valuation of the Buildings was arrived at by reference to comparison approach and income approach. The appraisal fair value was as follows:

	December 31	
	2021	**2020**
Land (17,387.3 pings and 19,515.6 pings respectively, both of which include joint construction land for residence of 4,046.9 pings)	$ 11,299,000	$ 12,492,000
Buildings	-	1,991,000

On February 1, 2012, the Company, Chroma ATE Inc. and HERAN Co., Ltd. jointly obtained “Taoyuan Airport MRT A7 Station Development Zone Industrial Zone (Bid A) Bidding Investment Project” in Guishan District, Taoyuan City. The total bid price was $10,088,890 thousand. The agreement was signed on April 18, 2012 and the shareholding ratio of each member was 30%, 35% and 35%, respectively. The bid price obtained by the Company was $3,035,176 thousand, the area of the acquired land was 66,877 square meters (approximately 20,230 pings). The acquired land of 38,707 square meters (approximately 11,709 pings) had registration of caution which stipulated that the land cannot be transferred to a third party if the land has not been constructed and has not obtained a building use permit.

In order to activate assets and raise land development fund, on December 7, 2020, the Company’s board of directors approved the signing of the preliminary trading contract for real estate. In November 2021, the Company signed the trading contract for real estate and the lease agreement to lease back part of the building spaces. The sale of the Company’s land (approximately 2,801.2 pings) and all of the above-ground building and underground parking spaces (approximately 17,734.0 pings) at No. 55, 55-5, and 55-6 Lejie Section, Guishan District, Taoyuan City was completed in December 2021. The sale price, including value-added business tax, was $4,500,000 thousand. Refer to Note 13 for details about sale-and-lease-back.

On January 30, 2019, the board of directors approved the agreement for joint construction and separate sale with Fu-Yu Construction Co., Ltd. ("Fu-Yu") for a parcel of residential land of 13,378.2 square meters (approximately 4,046.9 pings) located at No.56, Lejie Section, Guishan District, Taoyuan City. According to the agreement, the Company will receive total guaranteed revenue of $2,630,500 thousand without regard to changes in market condition. As of December 31, 2021, the Company has received 20% of total guaranteed revenue in the amount of $526,110 thousand which is recognized as guarantee deposit received. (As of the date the consolidated financial statements were authorized for issue, the Company has received additional 10% of total guaranteed revenue in the amount of $263,050 thousand and has cumulatively received 30% of guaranteed revenue.) Registration of caution is applied to the land in this case. It is expected that registration of caution can be cancelled after the construction is completed and building use permit is obtained. In accordance with the joint construction and separate sale agreement, the right of property of the land shall be transferred to the buyer of the real estate or Fu-Yu no later than 2023.

15. OTHER ASSETS

	December 31	
	2021	**2020**
Current		
Refundable deposits	$ 27,950	$ -
Prepayments and others (Note 29)	46,008	37,179
	$ 73,958	$ 37,179
Non-current		
Prepayments for construction and equipment (Note 29)	$ 105,889	$ 86,644
Others	47,585	60,273
	$ 153,474	$ 146,917

Prepayments for construction and equipment are mainly payments for the construction of building. Refundable deposits are mainly paid to suppliers for stable supply and classified into current and non-current accounts, respectively, according to liquidity.

16. BORROWINGS

a. Short-term borrowings

	December 31	
	2021	**2020**
Unsecured borrowings		
Credit borrowings	$1,110,000	$ 200,000

The ranges of interest rate of short-term borrowings were 0.750%-0.755% and 0.800% per annum as of December 31, 2021 and 2020, respectively.

b. Long-term borrowings

	December 31	
	2021	2020
Credit borrowings	$ 1,361,397	$ 3,122,140
Less: Current portion of long-term borrowings	(100,000)	(22,914)
	$ 1,261,397	$ 3,099,226

The ranges of interest rate of long-term borrowings were 0.000%-0.831% and 0.000%-0.887% per annum as of December 31, 2021 and 2020, respectively, and will be due in succession before the end of April 2025.

According to the bank loan contract, the financial statements must maintain the agreed financial ratios during the period of the borrowings; as of December 31, 2021, the Company has not violated the agreed financial ratios.

As of December 31, 2021 and 2020, the unused line of credit of long-term and short-term loans of the Company was $3,445,263 thousand and $2,961,540 thousand, respectively.

17.TRADE PAYABLES

	December 31	
	2021	2020
unrelated parties		
Trade payables - operating	$ 2,131,366	$ 1,984,321
Related parties		
Trade payables - operating	$ 8,336,088	$ 6,485,983

With the exception of trade payables to related parties, the average credit period for purchases of goods is 60-90 days. The Company has financial risk management policies in place to ensure that all payables are paid within the pre-agreed credit terms.

18.PROVISIONS – CURRENT

	December 31	
	2021	2020
Warranties	$ 72,123	$ 72,955

	For the Year Ended December 31	
	2021	2020
Balance at January 1	$ 72,955	$ 117,615
(Reversal) recognition of provisions	(832)	(44,660)
Balance at December 31	$ 72,123	$ 72,955

19. OTHER LIABILITIES

	December 31,	
	2021	**2020**
Current		
Other payables		
Payables for salaries and bonuses (including compensation of employees)	$ 261,477	$ 223,518
Payables for taxes and levies	102,286	574
Payables for professional expenses	24,650	24,703
Payables for remuneration of directors	17,606	12,607
Payables for purchases of equipment	4,709	12,067
Others	36,329	64,217
	$ 447,057	$ 337,686
Other liabilities		
Contractual liabilities (Note 29)	$ -	$ 520,267
Refund liabilities	114,404	201,839
Others	72,121	39,124
	$ 186,525	$ 761,230
Non-current		
Long-term employee benefits	$ 2,997	$ 4,291

20. RETIREMENT BENEFIT PLANS

a. Defined contribution plans

The Company adopted a pension plan under the Labor Pension Act (LPA), which is a state-managed defined contribution plan. Under the LPA, the Company makes monthly contributions to employees' individual pension accounts at 6% of monthly salaries and wages.

b. Defined benefit plans

The defined benefit plan adopted by the Company in accordance with the Labor Standards Act is operated by the government of the ROC. Pension benefits are calculated on the basis of the length of service and average monthly salaries of the 6 months before retirement. The Company contributes amounts equal to 2% of total monthly salaries and wages to a pension fund administered by the pension fund monitoring committee. Pension contributions are deposited in the Bank of Taiwan in the committee's name. Before the end of each year, the Company assesses the balance in the pension fund. If the amount of the balance in the pension fund is inadequate to pay retirement benefits for employees who conform to retirement requirements in the next year, the Company is required to fund the difference in one appropriation that should be made before the end of March of the next year. The pension fund is managed by the Bureau of Labor Funds, Ministry of Labor (the "Bureau"); the Company has no right to influence the investment policy and strategy.

The actuarial valuations of plan assets and the present value of the defined benefit obligation were carried out by qualified actuaries.

The amounts included in the consolidated balance sheets in respect of the Company's defined benefit plans were as follows:

	December 31	
	2021	2020
Present value of defined benefit obligation	($ 26,593)	($ 27,790)
Fair value of plan assets	24,943	23,825
Net defined benefit liabilities - non-current	($ 1,650)	($ 3,965)

Movements in net defined benefit liabilities were as follows:

	Present Value of the Defined Benefit Obligation	Fair Value of the Plan Assets	Net Defined Benefit Assets (Liabilities)
Balance at January 1, 2020	$ (25,461)	$ 23,660	$ (1,801)
Recognized in profit or loss			
Net interest (expense) income	(255)	241	(14)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	703	703
Actuarial loss			
Changes in demographic assumptions	(682)	-	(682)
Changes in financial assumptions	(2,005)	-	(2,005)
Experience adjustments	(882)	-	(882)
Recognized in other comprehensive income	(3,569)	703	(2,866)
Contributions from the employer	-	716	716
Benefits paid	1,495	(1,495)	-
Balance at December 31, 2020	$ (27,790)	$ 23,825	$ (3,965)
Balance at January 1, 2021	$ (27,790)	$ 23,825	$ (3,965)
Recognized in profit or loss			
Net interest (expense) income	(139)	121	(18)
Remeasurement			
Return on plan assets (excluding amounts included in net interest)	-	314	314
Actuarial loss			
Changes in demographic assumptions	(824)	-	(824)
Actuarial gain			
Experience adjustments	2,160	-	2,160
Recognized in other comprehensive income	1,336	314	1,650
Contributions from the employer	-	683	683
Balance at December 31, 2021	$ (26,593)	$ 24,943	$ (1,650)

Through the defined benefit plans under the Labor Standards Act, the Company is exposed to the following risks:

1) Investment risk: The plan assets are invested in domestic and foreign equity and debt securities, bank deposits, etc. The investment is conducted at the discretion of the Bureau or under the mandated management. However, in accordance with relevant regulations, the return generated by plan assets shall not be below the interest rate for a 2-year time deposit with local banks.

2) Interest risk: A decrease in interest rate will increase the present value of the defined benefit obligation; however, this will be partially offset by an increase in the return on the plans' debt investments.

3) Salary risk: The present value of the defined benefit obligation is calculated by reference to the future salaries of plan participants. As such, an increase in the salaries of the plan participants will increase the present value of the defined benefit obligation.

The actuarial valuations of the present value of the defined benefit obligation were carried out by qualified actuaries. The significant assumptions used for the purposes of the actuarial valuations are as follows:

	December 31	
	2021	**2020**
Discount rate	0.500%	0.500%
Expected rate of salary increase	2.750%	2.750%

If possible reasonable changes in each of the significant actuarial assumptions occur and all other assumptions remain constant, the present value of the defined benefit obligation will increase (decrease) as follows:

	December 31	
	2021	**2020**
Discount rate		
0.25% increase	(\$ 948)	(\$ 1,033)
0.25% decrease	\$ 992	\$ 1,081
Expected rate of salary increase		
0.25% increase	\$ 995	\$ 1,041
0.25% decrease	(\$ 918)	(\$ 1,001)

The above sensitivity analysis may not be representative of the actual change in the present value of the defined benefit obligation as it is unlikely that the change in assumptions will occur in isolation of one another as some of the assumptions may be correlated.

	December 31	
	2021	**2020**
Average duration of the defined benefit obligation	14.5 years	15.1 years

21. EQUITY

a. Ordinary share capital

	December 31	
	2021	**2020**
Number of authorized shares (in thousands of shares)	250,000	250,000
Amount of authorized shares	\$ 2,500,000	\$ 2,500,000
Number of issued and fully paid shares (in thousands of shares)	149,219	147,481
Amount of issued and fully paid shares	\$ 1,492,185	\$ 1,474,805
Capital collected in advance	\$ 160	\$ -

The issued ordinary shares with a par value of $10 entitle the holders with the right to vote and receive dividends.

The amendment to the articles of incorporation has been resolved by the Company's general shareholders' meeting on July 1, 2021. After the amendment, the authorized shares reserved for the employee share options are 10,000 thousand shares.

The difference in capital is due to the execution of share options by employees. The capital collected in advance is due to the execution of shares by employee share options. (Refer to Note 26 for details.)

b. Capital surplus

	December 31	
	2021	**2020**
May be used to offset a deficit, distributed as cash dividends, or transferred to share capital*		
Issuance of ordinary shares	$ 1,764,555	$ 1,669,050
Premium from conversion of bonds	318,790	318,790
May not be used for any purpose		
Employee share options	22,071	19,617
	$ 2,105,416	$ 2,007,457

*Such capital surplus may be used to offset a deficit; in addition, when the Company has no deficit, such capital surplus may be distributed as cash dividends or transferred to share capital (limited to a certain percentage of the Company's share capital and to once a year).

c. Retained earnings and dividend policy

The amendment to the articles of incorporation has been resolved by the company's general shareholders' meeting on July 1, 2021. Under the dividends policy as set forth in the Articles, if the Company records a surplus earning at the close of a fiscal year, it shall pay the taxes, offset losses to be covered and then set aside 10% of the balance as legal reserve in accordance with the laws and regulations provided the amount of accumulated legal reserve has yet to reach the amount of the paid-up capital of the Company, then set aside or return the special reserve required by laws or competent authority. The balance (distributable profit) together with accumulated unappropriated earnings are available for appropriation, and the board of directors shall draft a plan for allocating surplus earnings and submit it to the shareholders for resolution. Where the Company distributes preceding surplus earning in the form of cash, such distribution is authorized to be made after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors and in addition thereto, a report of such distribution shall be submitted to the shareholders' meeting. Where the Company incurs no loss, it may distribute its legal reserve and capital reserve set forth in Article 241 of Company Act, in whole or in part, by issuing new shares or by cash. Where legal reserve is distributed by issuing new shares or by cash, only the portion of legal reserve which exceeds 25 percent of the paid-up capital may be distributed. Where the Company distributes the preceding legal reserve and capital reserve set forth in Article 241 of Company Act in the form of cash, such distribution is authorized to be made after a resolution has been adopted by a majority vote at a meeting of the board of directors attended by two-thirds of the total number of directors and in addition thereto, a report of such distribution shall be submitted to the shareholders' meeting. Allocating surplus profits may be made by way of cash or stock dividend after taking into consideration financial, business, and operational factors. Allocating surplus profits shall be made preferably by way of cash and the ratio for cash dividend shall be more than 50% of total shareholders' bonuses.

Re-election of directors, including 4 independent directors, has been approved in the shareholders' meeting on June 9, 2020, and all independent directors formed an audit committee to replace the supervisors. The Company has set up the audit committee since June 13, 2020, which was the next day of the director and supervisor's term of office expired on June 12, 2020.

For the policies on the distribution of compensation of employees and directors refer to compensation of employees and directors in Note 23-g.

The appropriations of earnings for 2020 and 2019, which were approved in the shareholders' meetings on July 1, 2021 and June 9, 2020, respectively, were as follows:

	Appropriation of Earnings		**Dividends Per Share (NT$)**	
	For Fiscal Year 2020	**For Fiscal Year 2019**	**For Fiscal Year 2020**	**For Fiscal Year 2019**
Legal reserve	$ 103,239	$ 82,572		
Special reserve	$ (27,401)	$ 249,029		
Cash dividends	$ 958,623	$ 737,403	$ 6.50	$ 5.00

The appropriation of earnings for 2021, which was proposed by the Company's board of directors on March 8, 2022, was as follows:

	Appropriation of Earnings	**Dividends Per Share (NT$)**
Legal reserve	$ 331,067	
Special reserve	$ 91,189	
Cash dividends	$ 2,248,342	$15.05

The cash dividends have been approved by the Company's board of directors, and the appropriation of legal reserve and special reserve for 2021 is to be resolved in the shareholders' meeting on June 6, 2022.

d. Special reserve

	For the Year Ended December 31	
	2021	**2020**
Beginning at January 1	$ 481,562	$ 232,533
Appropriations in respect of		
Debit/(credit) to other equity items	(27,401)	249,029
Balance at December 31	$ 454,161	$ 481,562

Pursuant to Rule No. 1090150022 issued by the FSC, the Company is required to set aside additional special reserve equivalent to the net debit balance of other equity items from the sum of net profit for the year and the amount of items other than net profit for the year but included in the unappropriated earnings. When there is still a deficit, it shall be set aside from previous unappropriated earnings. However, special reserve set aside for the amount equal to the net debit balance of other equity items for the previous year from previous unappropriated earnings shall not be distributed. Any special reserve may be reversed and distributed to the extent of reversal of the net debit balance.

e. Other equity items

Exchange differences on translation of the financial statements of foreign operations

The exchange differences arising on translation of the financial statements of foreign operation's net assets from its functional currency to the Group's presentation currency (i.e., New Taiwan dollars) are recognized directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences on translation of the financial statements of foreign operations previously accumulated in the foreign currency translation reserve are reclassified to profit and loss when the foreign operation is disposed of.

22.REVENUES

a. Contract information

For details on contracts with customers, please refer to Note 4; for details on operating revenues, please refer to Account 8.

b. Contract balances

For details on trade receivables and contractual liabilities, please refer to Notes 9 and 19, respectively.

23.NET PROFIT FOR THE YEAR

Net profit for the year includes the following items:

a. Interest income

	For the year Ended December 31	
	2021	2020
Bank deposits	$ 2,598	$ 20,967
Others	17	24
	$ 2,615	$ 20,991

b. Other income

	For the year Ended December 31	
	2021	2020
Subsidy income	$ 21,543	$ 41,340
Royalty income (Note 29)	14,513	22,128
Rental income	89,902	24,872
Others	981	1,027
	$ 126,939	$ 89,367

c. Net foreign exchange gain

	For the year Ended December 31	
	2021	2020
Foreign exchange gain	$ 403,253	$ 642,454
Foreign exchange loss	(309,398)	(506,000)
Net gain	$ 93,855	$ 136,454

d. Finance costs

	For the year Ended December 31	
	2021	2020
Interest on bank borrowings	$ 26,046	$ 26,261
Interest on lease liabilities	128	33
Others	121	44
	$ 26,295	$ 26,338

e. Depreciation and amortization

	For the year Ended December 31	
	2021	2020
An analysis of depreciation by function		
Operating costs	$ 8,839	$ 4,346
Operating expense	27,683	22,144
Non-operating income and expense	25,573	25,899
	$ 62,095	$ 52,389
An analysis of amortization by function		
Operating costs	$ 7,730	$ 3,922
Operating expense	8,578	8,742
	$ 16,308	$ 12,664

f. Employee benefits expense

	For the year Ended December 31	
	2021	2020
Post-employment benefits (Note 20)		
Defined contribution plans	$ 10,932	$ 8,620
Defined benefit plans	18	14
	10,950	8,634
Share-based payments (Note 26)		
Equity-settled	12,976	12,467
Other employee benefits		
Salaries expense	308,194	242,068
Labor/health insurance expense	21,584	16,150
Compensation of directors	33,819	21,520
Other personnel expenses	16,720	15,696
	380,317	295,434
Total employee benefits expense	$ 404,243	$ 316,535
An analysis of employee benefits expense by function		
Operating costs	$ 38,896	$ 18,006
Operating expense	332,847	298,529
Non-operating income and expense	32,500	-
	$ 404,243	$ 316,535

The Company employed an average of 240 employees in 2021 and 186 employees in 2020; the number of directors without concurrent role as employee was 7 in 2021 and in 2020. The same employee base was used for calculating employee benefit expenses.

The Company reported average employee benefit expenses of $1,590 thousand and $1,645 thousand, and average salary expenses of $1,378 thousand and $1,422 thousand, in 2021 and 2020 respectively. Average employee salary expenses had reduced by 3.1%.

Compensation to supervisors totaled $698 thousand in 2020. An Audit Committee was established on June 13, 2020 to replace supervisors.

The Company determines its salary and compensation policies after taking into consideration the common peer level, the Company's overall performance, employees' individual performance, and market trends.

g. Compensation of employees and compensation of directors

According to the Company’s Articles before amendments, the Company shall appropriate compensation of employees and compensation of directors at rates of no less than 3% and no higher than 3%, respectively, of net profit before income tax, compensation of employees, and directors. According to the Company’s amended Articles resolved by shareholders’ meeting on July 1, 2021, if the Company records a profit for the year starting from 2021, the Company shall appropriate compensation of employees and compensation of directors at rates of no less than 2% and no higher than 3%, respectively, of the net profit before income tax, compensation of employees and directors. The compensation of employees and directors for the years ended December 31, 2021 and 2020, which were approved by the Company’s board of directors on March 8, 2022 and March 9, 2021, respectively, are as follows:

	For the Year Ended December 31			
	2021		2020	
	Appropriate Rate	Amount	Appropriate Rate	Amount
Compensation of employees	2.002%	$ 75,000	5.750%	$ 78,412
Compensation of directors	0.454%	$ 17,000	0.880%	$ 12,000

If there is a change in the amounts after the annual parent company only financial statements are authorized for issue, the differences are recorded in the next fiscal year as a change in the accounting estimate. If the board of directors resolves to pay compensation of employees by shares, the number of shares of the compensation of employees is determined by dividing the amount of the compensation of employees by the closing price per share on the day immediately preceding the meeting of the Company’s board of directors.

There is no difference between the amounts of compensation of employees and remuneration of directors and supervisors resolved by board of directors to pay and the amounts recognized in the parent company only financial statements for the years ended December 31, 2020 and 2019.

Information on the compensation of employees and remuneration of directors resolved by the Company’s board of directors is available at the Market Observation Post System website of the Taiwan Stock Exchange.

24. INCOME TAXES

a. Income tax recognized in profit or loss

Major components of income tax expense are as follows:

	For the year Ended December 31	
	2021	2020
Current tax		
In respect of the current year	$ 309,479	$ 169,514
Adjustments for prior years	(6,075)	(11,365)
	303,404	158,149
Deferred tax		
In respect of the current year	41,480	79,877
Income tax expense recognized in profit or loss	$ 344,884	$ 238,026

A reconciliation of accounting profit and income tax expense is as follows:

	For the year Ended December 31	
	2021	2020
Profit before tax	$ 3,653,903	$ 1,273,281
Income tax expense calculated at the statutory rate	$ 730,781	$ 254,656
Revenue excluded from taxable income	(409,824)	(5,265)
Revenue excluded from taxable income	30,002	-
Adjustments for prior years' tax	(6,075)	(11,365)
Income tax expense recognized in profit or loss	$ 344,884	$ 238,026

Since the resolution of the distribution of retained earnings in the shareholders' meeting in 2022 is still uncertain, the potential income tax consequences of 5% income tax on the unappropriated earnings for 2021 cannot be determined reliably.

b. Income tax expense (benefit) recognized in other comprehensive income

	For the year Ended December 31	
	2021	2020
Deferred tax		
Translation of the financial statements of foreign operations	($ 22,797)	$ 6,850

c. Current tax liabilities

	December 31	
	2021	2020
Income tax payable	$ 305,539	$ 188,011

d. Deferred tax assets and liabilities

The movements of deferred tax assets and deferred tax liabilities were as follows:

For the year ended December 31,2021

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Refund liabilities	$ 40,367	($ 17,487)	$ -	$ 22,880
Provisions	14,591	(166)	-	14,425
Inventory write-downs	22,318	21,647	-	43,965
Payables for annual leave	2,062	531	-	2,593
Defined benefit obligations	135	(133)	-	2
Exchange differences on translation of the financial statements of foreign operations	113,541	-	22,797	136,338
Unrealized loss on financial liabilities	1,844	(1,844)	-	-
	$ 194,858	$ 2,548	$ 22,797	$ 220,203
Deferred Tax Liabilities				
Share of profit of associates accounted for using the equity method	$ 990,821	$ 65,100	$ -	$ 1,055,921
Unrealized exchange gain	31,566	(21,072)	-	10,494
	$ 1,022,387	$ 44,028	$ -	$ 1,066,415

For the year ended December 31,2020

	Opening Balance	Recognized in Profit or Loss	Recognized in Other Comprehensive Income	Closing Balance
Deferred Tax Assets				
Refund liabilities	$ 39,286	$ 1,081	$ -	$ 40,367
Provisions	23,523	(8,932)	-	14,591
Inventory write-downs	35,458	(13,140)	-	22,318
Payables for annual leave	1,703	359	-	2,062
Defined benefit obligations	276	(141)	-	135
Exchange differences on translation of the financial statements of foreign operations	120,391	-	(6,850)	113,541
Unrealized loss on financial liabilities	152	1,692	-	1,844
	$ 220,789	($ 19,081)	($ 6,850)	$ 194,858
Deferred Tax Liabilities				
Share of profit of associates accounted for using the equity method	$ 921,616	$ 69,205	$ -	$ 990,821
Unrealized exchange gain	39,975	(8,409)	-	31,566
	$ 961,591	$ 60,796	$ -	$ 1,022,387

e. Income tax assessments

The income tax returns of the Company through 2019 have been assessed by the tax authorities.

25.EARNINGS PER SHARE

Unit: NT$ Per Share

	For the year Ended December 31	
	2021	**2020**
Basic earnings per share	$ 22.42	$ 7.02
Diluted earnings per share	$ 22.12	$ 6.94

The earnings and weighted average number of ordinary shares outstanding used in the computation of earnings per share were as follows:

Net profit for the year

	For the year Ended December 31	
	2021	2020
Earnings used in the computation of basic and diluted earnings per share	$ 3,309,019	$ 1,035,255

Shares

Unit: Shares (In Thousands)

	For the year Ended December 31	
	2021	2020
Weighted average number of ordinary shares used in the computation of basic earnings per share	147,598	147,481
Effect of potentially dilutive ordinary shares:		
Employee share options	1,163	602
Compensation of employees	866	1,085
Weighted average number of ordinary shares used in the computation of diluted earnings per share	149,627	149,168

The Company may settle the compensation of employees in cash or shares; therefore, the Company assumes that the entire amount of the compensation will be settled in shares, and the resulting potential shares are included in the weighted average number of shares outstanding used in the computation of diluted earnings per share, as the effect is dilutive. Such dilutive effect of the potential shares is included in the computation of diluted earnings per share until the number of shares to be distributed to employees is resolved in the following year.

26. SHARE-BASED PAYMENT ARRANGEMENTS

Employee share option plan

Qualified employees of the Company, controlling company and its subsidiaries were granted 1,076 options on September 17, 2021 and 5,000 options in November 12, 2019. Each option entitles the holder with the right to subscribe for one thousand ordinary shares of the Company. The options granted are valid for 5 years and exercisable at certain percentages after the second anniversary from the grant date. The options were granted at an exercise price equal to the closing price of the Company's ordinary shares listed on the Taipei Exchange on the grant date. For any subsequent changes in the Company's capital or cash dividend distribution, the exercise price is adjusted accordingly.

Information on issued employee share options was as follows:

	For the Year Ended December 31			
	2021		2020	
	Number of Options (In Thousands)	Weighted-average Exercise Price ($)	Number of Options (In Thousands)	Weighted-average Exercise Price ($)
Balance at January 1	5,000	$ 59.3	5,000	$ 63.2
Options granted	1,076	95.0	-	-

	For the Year Ended December 31			
	2021		2020	
	Number of Options (In Thousands)	Weighted-average Exercise Price ($)	Number of Options (In Thousands)	Weighted-average Exercise Price ($)
Options forfeited	(262)	55.8	-	-
Options exercised	(1,738)	55.8	-	-
Balance at December 31	4,076	66.1	5,000	59.3
Options exercisable, end of the year	677	55.8	-	-

The weighted-average share price on the exercise date of the share options for the year ended December 31, 2021 was $97.45.

Information on outstanding options was as follows:

	December 31	
	2021	2020
Exercise price ($)	$55.8, $95.0	$59.3
Weighted-average remaining contractual life (in years)	2.87-4.71 years	3.87 years

Due to the Company's dividend exclusion, the exercise price of the employee share options granted on November 12, 2019 was adjusted to $55.8 and $59.3 from the ex-dividend dates, July 16, 2021 and June 30, 2020, respectively.

Options granted in September 2021 and November 2019 was priced using the Black-Scholes-Merton pricing model, and the inputs to the model are as follows:

	September 2021	November 2019
Grant-date share price	$95.0	$63.2
Grant-date exercise price	$95.0	$63.2
Expected volatility	27.33%-28.59%	22.89%-24.09%
Expected life (in years)	5	5
Expected dividend yield	-	-
Risk-free interest rate	0.28%-0.29%	0.57%-0.58%
Weighted-average fair value of options granted ($)	$20.77	$12.02

Expected volatility is based on the historical share price volatility over the past 5 years. The historical share price is the average value of the annualized standard deviation of the daily return rate of the Company, which is a hypothetical value.

Compensation costs recognized for the years ended December 31, 2021 and 2020 were $12,976 thousand and $12,467 thousand, respectively.

27. CAPITAL MANAGEMENT

Key management personnel of the Company review the capital structure periodically. As part of this review, the key management personnel consider the cost of capital and the risks associated with each class of capital. Based on recommendations of the key management personnel, in order to balance the overall capital structure, the Company may adjust the amount of dividends paid to shareholders, the number of new shares issued or repurchased, and the amount of new debt issued or existing debt redeemed.

28. Financial instruments

a. Fair value of financial instruments not measured at fair value

The management believes that all the carrying amounts of financial assets and financial liabilities not measured at fair value recognized in the parent company only financial statements approximate their fair values or their fair value cannot be reliably measured.

b. Fair value of financial instruments measured at fair value on a recurring basis

1) Fair value hierarchy (December 31,2021: None)

December 31, 2020

	Level 1	Level 2	Level 3	Total
Financial liabilities at FVTPL				
Derivatives	$ -	$ 9,218	$ -	$ 9,218

There were no transfers between Levels 1 and 2 for the years ended December 31, 2020.

2) Valuation techniques and inputs applied for Level 2 fair value measurement

Financial Instrument	Valuation Technique and Inputs
Derivatives - cross-currency swap contracts	The Company adopts the discounted cash flow method to evaluate the information provided by the counterparty bank, which estimates the future cash flows based on observable exchange rates at the end of the year and contract exchange/interest rates and discounts separately at discount rates that reflect the credit risk of each counterparty.

c. Categories of financial instruments

	December 31	
	2021	2020
Financial assets		
Financial assets at amortized cost (1)	$ 10,263,236	$ 6,295,824
Financial liabilities		
FVTPL		
Mandatorily classified as at FVTPL	-	9,218
Financial liabilities at amortized cost (2)	13,915,015	12,547,413

1) The balances include cash and cash equivalents, financial assets at amortized cost - current, trade receivable from unrelated parties, trade receivables from unrelated parties, other receivables, other receivables, and refundable deposits.

2) The balances include short-term borrowings, trade payables to unrelated parties, other payables, long-term borrowings (including current portion of long-term borrowings), guarantee deposits received and other non-current liabilities.

d. Financial risk management objectives and policies

The risk control and hedge strategies of the Company are affected by the operating environment. However, the Company has incorporated various risks into management in accordance with the nature of the business and the principle of risk diversification, and set risk management procedures, evaluation methods, and management indicators to control and manage risks effectively.

1) Market risk

The Company's activities exposed it primarily to the financial risks of changes in foreign currency exchange rates (see (1) below) and interest rates (see (2) below).
There has been no change to the Company's exposure to market risks or the manner in which these risks were managed and measured.

a) Foreign currency risk

The foreign currency denominated monetary financial assets and liabilities held by the Company are subject to the risk of exchange rate changes. The Company has established relevant control to monitor the positions held and the fluctuations of the market exchange rate at any time, and applied the derivatives of cross-currency swap contracts to reduce the exchange rate risk.

The carrying amounts of the Company's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period are set out in Note 30.

Sensitivity analysis

Foreign currencies other than functional currencies of the Company is mainly exposed to the U.S. dollar. The Company's sensitivity analysis mainly focuses on changes in the exchange rates of relevant foreign currencies to the functional currencies of the entities in the Company at the end of the reporting period. If the functional currency had a 1% increase and decrease against the U.S. dollars, the Company's post-tax profit for the years ended December 31,2021 and 2020 would have been increased/decreased by $23,804 thousand and $24,768 thousand, respectively.

b) Interest rate risk

Interest rate risk refers to the risk of changes in the value of financial instruments caused by changes in market interest rates. The Company closely monitors the fluctuations of market interest rates to manage interest rate risk.

The carrying amounts of the Company's financial assets and financial liabilities with exposure to interest rates at the end of the reporting period were as follows:

	December 31	
	2021	**2020**
Fair value interest rate risk		
- Financial assets	$ 1,800,000	$ 574,500
- Financial liabilities	1,390,889	201,906
Cash flow interest rate risk		
- Financial assets	2,075,911	1,402,246
- Financial liabilities	1,361,397	3,122,140

Sensitivity analysis

The fixed interest rate financial assets and financial liabilities held by the Company are measured at amortized cost; therefore, they are not included in the analysis; the sensitivity analysis of interest rate risk is based on the financial assets and financial liabilities with floating interest rates at the end of the reporting period. If interest rates had increased/decreased by 1%, the Company's post-tax profit for the years ended December 31, 2021 and 2020 would have been increased/decreased by $5,716 thousand and $13,759 thousand, respectively.

2) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. The credit risk of the Company mainly comes from the receivables from operating activities, fixed income investments from investment activities and other financial instruments. Operation-related credit risks and financial credit risks are managed separately.

Operation-related credit risk

In order to maintain the quality of trade receivables, the Company has established management procedures for operation-related credit risks.

To mitigate the risk of financial loss from defaults, the Company has adopted a policy to assess individual customers and takes into account factors that may affect the customers' ability to pay, including the customers' financial position, ratings by credit rating agencies, internal credit ratings of the Company, historical transaction records, and current economic condition. The Company also uses some credit enhancement tools at appropriate times, such as requesting customers to pay for goods in advance and provide credit insurance, to reduce the credit risk of specific customers.

As of December 31, 2021 and 2020, the balance of trade receivables of the top five customers accounted for more than 85% of the balance of trade receivables from unrelated parties of the Company. Since the top five customers are all creditworthy manufacturers, the credit risk is limited. After the Company considered the specific factors and performed the risk assessment, the Company did not have significant credit risk exposure to customers.

Financial credit risk

The credit risks of bank deposits, fixed income investments and other financial instruments are measured and monitored by the management of the Company. Since the counterparties of the Company consist entirely of creditworthy banks and financial institutions with investment grade or above and corporate organizations and government agencies without major performance concerns, there is no significant credit risk.

3) Liquidity risk

The Company manages liquidity risk by monitoring and maintaining a level of cash and cash equivalents deemed adequate to finance the Company's operations and mitigate the effects of fluctuations in cash flows. In addition, management monitors the utilization of credit line of bank loan and ensures compliance with loan covenants.

The Company's working capital and credit line of bank loan are deemed adequate to finance its operations; therefore, there is no liquidity risk of inability to fulfill contractual obligations.

The following tables detail the Company's remaining contractual maturities for its non-derivative financial liabilities with agreed repayment periods. The tables had been drawn up based on the undiscounted cash flows of the financial liabilities from the earliest date on which the Company may be required to pay the principal.

The Company may be required to immediately pay the principal amount within the earliest period listed below, regardless of the probability of exercising immediate enforcement rights by the bank.

December 31, 2021

	On Demand or Less than 1 Year	1-5 Years	5+ Years	Total
Non-derivative financial liabilities				
Non-interest bearing	$ 10,531,495	$ 526,110	$ -	$ 11,057,605
Lease liabilities	43,740	189,229	57,316	290,285
Floating interest rate liabilities	100,000	1,261,397	-	1,361,397
Fixed interest rate liabilities	1,110,000	-	-	1,110,000
	$ 11,785,235	$ 1,976,736	$ 57,316	$ 13,819,287

December 31, 2020

	On Demand or Less than 1 Year	1-5 Years	5+ Years	Total
Non-derivative financial liabilities				
Non-interest bearing	$ 8,569,643	$ 396,864	$ 16,127	$ 8,982,634
Lease liabilities	1,918	-	-	1,918
Floating interest rate liabilities	22,914	2,715,876	383,350	3,122,140
Fixed interest rate liabilities	200,000	-	-	200,000
	$ 8,794,475	$ 3,112,740	$ 399,477	$ 12,306,692

29.TRANSACTIONS WITH RELATED PARTIES

The Company had the following transactions with related parties:

a. Name and relationship of related parties

Name of related party	Relationship with the Company
Dynapack Technologies (Cayman) Corporation (hereinafter referred to as the “Dynapack (Cayman)”)	Subsidiary of the Company
Dynapack (Suzhou) Co., Ltd. (hereinafter referred to as the “Dynapack (Suzhou)”)	Subsidiary of the Company

b. Sale

Type of related party	For the years ended December 31 2021	2020
Subsidiary		
Dynapack (Cayman)	$ 42,226	$ 71,595

c. Purchases

Type of related party	For the years ended December 31 2021	2020
Subsidiary		
Dynapack (Cayman)	$5,538,749	$4,957,836

Purchases from related parties mainly comprise finished goods. Due to the fact that no exact same goods can be sourced from unrelated parties, no meaningful comparison on purchase price and payment term could be made with unrelated parties.

d. Materials expense (presented as research and development expense)

Type of related party	For the years ended December 31	
	2021	2020
Subsidiary		
Dynapack (Cayman)	$ 4,724	$ 4,211

e. Royalty income (presented other income)

Type of related party	For the years ended December 31	
	2021	2020
Subsidiary		
Dynapack (Suzhou)	$ 14,513	$ 22,128

The Company has signed a technology licensing contract with Dynapack (Suzhou), in which the Company licenses its proprietary technology to Dynapack (Suzhou) in exchange for a royalty fee of 1.5%-2.0% on the total value of products sold in relation to the licensed technology.

f. Related party receivables

Type of related party	December 31	
	2021	2020
Subsidiary		
Dynapack (Cayman)	$ 1,265,512	$ -

Outstanding related party outstanding related party payables are the selling of materials and no security was obtained on outstanding related party receivables. No ECL was provided on related party receivables as of the end of 2021.

g. Trade payables to related parties

Type of related party	December 31	
	2021	2020
Subsidiary		
Dynapack (Cayman)	$ 8,336,088	$ 6,485,983

No security was provided on outstanding related party payables.

h. Other receivables from related parties

Type of related party	December 31	
	2021	2020
Subsidiary		
Dynapack (Suzhou)	$ 10,072	$ 10,858
Dynapack (Cayman)	152	181
	$ 10,224	$ 11,039

i. Contractual liabilities (presented as other current liabilities)

Type of related party	December 31 2021	December 31 2020
Subsidiary		
Dynapack (Cayman)	$ -	$ 520,267

j. Remuneration of key management personnel

The remuneration of directors and key executives is as follows:

	For the years ended December 31 2021	For the years ended December 31 2020
Short-term employee benefits	$ 68,619	$ 54,385
Post-employment benefut	466	480
Other long-term benefits	20	50
Share-based payments	2,467	2,705
	$ 71,572	$ 57,620

The remuneration of directors and key executives, as determined by the remuneration committee and the board of directors, is based on the overall performance of the Company and individuals and market trends.

30. SIGNIFICANT ASSETS AND LIABILITIES DENOMINATED IN FOREIGN CURRENCIES

The Company's significant financial assets and liabilities denominated in foreign currencies aggregated by the foreign currencies other than functional currencies of the Company and the related exchange rates between the foreign currencies and the respective functional currencies were as follows:

December 31, 2021

	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount (In thousands)
Assets denominated in foreign currencies			
Monetary items			
USD	$ 270,529	27.685	$ 7,489,584
Non-monetary item			
Subsidiaries for using the eauity method			
USD	$ 317,690	27.685	$ 8,795,242
Liabilities denominated in foreign currencies			
Monetary items			
USD	378,008	27.685	$ 10,465,154

December 31, 2020

	Foreign Currency (in thousands)	Exchange Rate	Carrying Amount (In thousands)
Assets denominated in foreign currencies			
Monetary items			
USD	$ 206,939	28.480	$ 5,893,619
Non-monetary item			
Subsidiaries for using the eauity method			
USD	299,672	28.480	$ 8,534,667
Liabilities denominated in foreign currencies			
Monetary items			
USD	315,648	28.480	$ 8,989,661

The significant realized and unrealized foreign exchange gains (losses) were as follows:

Foreign Currency	For the years ended December 31 2021	2020
USD	$ 93,834	$ 136,424
RMB	21	(6)
Others (EUR)	-	36
	$ 93,855	$ 136,454

31. SEPARATELY DISCLOSED ITEMS

a. Significant transactions and b. Information about investees

1) Financing provided to others: None.

2) Endorsements/guarantees provided: None.

3) Marketable securities held (excluding investments in subsidiaries and associates): Table 1.

4) Marketable securities acquired and disposed of at costs or prices of at least NT$300 million or 20% of the paid-in capital: None.

5) Acquisition of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: None.

6) Disposal of individual real estate at costs of at least NT$300 million or 20% of the paid-in capital: Table 2.

7) Total purchases from or sales to related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 3.

8) Receivables from related parties amounting to at least NT$100 million or 20% of the paid-in capital: Table 4.

9) Trading in derivative instruments: None.

10) Information on investees: Table 5.

c. Information on investments in mainland China

1) Information on any investee company in mainland China, showing the name, principal business activities, paid-in capital, method of investment, inward and outward remittance of funds, ownership percentage, net profit and loss for the year, net income of investees, investment income or loss, carrying amount of the investment at the end of the year, repatriations of investment income, and limit on the amount of investment in the mainland China area: Table 6.

2) Any of the following significant transactions with investee companies in mainland China, either directly or indirectly through a third party, and their prices, payment terms, and unrealized gains or losses:

a) The amount and percentage of purchases and the balance and percentage of the related payables at the end of the year: Table 3.

b) The amount and percentage of sales and the balance and percentage of the related receivables at the end of the year: Table 3.

c) The amount of property transactions and the amount of the resultant gains or losses: Note 29.

d) The balance of negotiable instrument endorsements or guarantees or pledges of collateral at the end of the year and the purposes: None.

e) The highest balance, the ending balance, the interest rate range, and total current period interest with respect to the financing of funds: None.

f) Other transactions that have a material effect on the profit or loss for the year or on the financial position, such as the rendering or receipt of services: Note 29.

d. Information of major shareholders: List all shareholders with ownership of 5% or greater showing the name of the shareholder, the number of shares owned, and percentage of ownership of each shareholder: Table 7.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

MARKETABLE SECURITIES HELD
DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Holding Company Name	Type and Name of Marketable Securities	Relationship with the Holding Company	Financial Statement Account	December 31, 2021				Note
				Number of Shares (In Thousands)	Carrying Amount	Percentage of Ownership	Fair Value	
Dynapack Technologies (Cayman) Corporation	Zentera Systems, Inc. A-1 - preference shares	None	Financial assets at fair value through profit or loss - current	662	$ -	4.07	$ -	-
	Zentera Systems, Inc. A-2 - preference shares	None	Financial assets at fair value through profit or loss - current	368	-	2.26	-	-
	Zentera Systems, Inc. - convertible bonds	None	Financial assets at fair value through profit or loss - current	-	13,850	N/A	13,850	-
Dynapack Investment Corporation	Taiwan Fertilizer Co., Ltd. - ordinary shares	None	Financial assets at fair value through profit or loss - current	432	30,240	0.04	30,240	-
	I Sheng Electric Wire & Cable Co., Ltd. - ordinary shares	None	Financial assets at fair value through profit or loss - current	746	32,003	0.40	32,003	-
	Fubon Financial Holding Co., Ltd. - ordinary shares	None	Financial assets at fair value through profit or loss - current	20	1,526	0.00	1,526	-
	Mega Financial Holding Company Limited - ordinary shares	None	Financial assets at fair value through profit or loss - current	620	22,041	0.00	22,041	-
	Savior Lifetec Corporation - convertible bonds	None	Financial assets at fair value through profit or loss - current	225	25,200	N/A	25,200	-
	Gotech Energy Co., Ltd. - ordinary shares	None	Financial assets at fair value through profit or loss - current	750	-	10.34	-	-
	Vactronics technologies Inc. - ordinary shares	None	Financial assets at fair value through profit or loss - current	1,629	108,436	2.84	108,436	-

Note: The marketable securities were not pledged.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

DISPOSAL OF INDIVIDUAL REAL ESTATE AT PRICES OF AT LEAST NT$300 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Seller	Property	Event Date	Original Acquisition Date	Carrying Amount	Transaction Amount	Collection	Gain on Disposal	Counterparty	Relationship	Purpose of Disposal	Price Reference	Other Terms
Dynapack International Technology Corporation	The factory office building and the land at No. 188, Wenhe Rd., Guishan District, Taoyuan City Land: No. 55,55-5,55-6, Lejie Section, Guishan District, Taoyuan City Buildings: All buildings and underground parking spaces at No. 188 Wenhe Rd., Guishan District, Taoyuan	2021.11.29	Land: Acquisition by signing of the trading contract on April 18, 2012 Buildings: Self-constructed by the Company and the use permit was obtained on January 30, 2019	$ 1,606,706	$ 4,500,000 (Including Value-added Business Tax)	Full collection	$ 2,671,413	Millerful No.1 REIT whose trustee is King's Town Bank Co., Ltd.	Unrelated party	Activate assets to raise land development funds and maintain a stable dividend policy	Appraisal report from CCIS Real Estate Joint Appraisers Firm and Zhan-Mao Real Estate Appraisers Firm	The Company leased back 5 floors with a total of 4,885.4 pings currently used for operation purpose according to the lease agreement after disposal of the building.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

TOTAL PURCHASES FROM OR SALES TO RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars)

Buyer/Seller	Related Party	Relationship	Transaction Details				Abnormal Transaction		Notes/Accounts Receivable (Payable)		Note
			Purchase/Sale	Amount	% of Total	Payment Terms	Unit Price	Payment Terms	Ending Balance	% of Total	
Dynapack International Technology Corporation	Dynapack Technologies (Cayman) Corporation	Subsidiary of the Company	Purchase	$ 5,538,749	29	Note 1	None	None	$ (8,336,088)	80	-
Dynapack Technologies (Cayman) Corporation	Dynapack International Technology Corporation	Parent company of the Company	Sale	5,538,749	99	Note 1	None	None	8,336,088	73	-
	DynaPack (Suchou) Co., Ltd.	Subsidiary of the Company	Purchase	5,481,600	99	Note 1	None	None	(6,758,197)	69	-
Dynapack (Suchou) Co., Ltd.	Dynapack Technologies (Cayman) Corporation	Parent company of the Company	Sale	5,481,600	95	Note 1	None	None	6,758,197	96	-

Note 1: Open account 60 days, and the Company may make adjustments according to its working capital requirements.

TABLE 4

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

RECEIVABLES FROM RELATED PARTIES AMOUNTING TO AT LEAST NT$100 MILLION OR 20% OF THE PAID-IN CAPITAL
DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

Company Name	Related Party	Relationship	Ending Balance	Turnover Rate	Overdue		Amounts Received in Subsequent Period (Note 1)	Allowance for Impairment Loss
					Amount	Actions Taken		
Dynapack International Technology Corporation	Dynapack Technologies (Cayman) Corporation	Subsidiary company	$ 1,265,512	7.06	$ -	-	US$ 12,701	$ -
Dynapack Technologies (Cayman) Corporation	Dynapack International Technology Corporation	Parent company	8,336,088	2.57	-	-	US$ 42,512	-
Dynapack (Suchou) Co., Ltd.	Dynapack Technologies (Cayman) Corporation	Parent company	6,758,197	3.30	-	-	US$ 44,535	-

Note 1: Subsequent period will be on February 28, 2022.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

INFORMATION ON INVESTEES
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

Investor Company	Investee Company	Location	Main Businesses and Products	Original Investment Amount (Note 1)		As of December 31, 2021			Net Income (Loss) of the Investee (Notes 2 and 3)	Share of Profits (Loss) (Notes 2 and 3)	Note
				December 31, 2021	December 31, 2020	Number of Shares (In Thousands)	%	Carrying Amount			
Dynapack International Technology Corporation	Dynapack Technologies (Cayman) Corporation	British Cayman Islands	Investment and selling lithium-ion battery packs	$ 2,610,052 (US$ 84,186)	$ 2,610,052 (US$ 84,186)	84,186	100	$ 8,765,547	$ 370,050 (US$ 13,216)	$ 375,500 (Note 4)	Subsidiary
	Dynapack Investment Corporation	ROC	Investment	480,000	200,000	48,000	100	568,921	71,628	71,628	Subsidiary
	Chih Ho Shun Development Co., Ltd.	ROC	New towns, new community development	15,000	15,000	1,500	30	13,717	(2,536)	(761)	Investee accounted for using the equity method
Dynapack Technologies (Cayman) Corporation	Dynapack Technology (Hong Kong) Corporation Limited	Hong Kong	Investment	2,236,165 (US$ 72,300)	2,547,745 (US$ 82,300)	72,300	100	6,926,615	319,569 (US$ 11,395)	319,569 (US$ 11,395)	Subsidiary (Notes 5)

Note 1: The calculation was based on the original investment cost.

Note 2: The calculation was based on the average exchange rate for the year ended December 31, 2021.

Note 3: The basis for investment income (loss) recognition, except for Chih Ho Shun Development Co., Ltd., is the financial statements audited and attested by parent company’s CPA in the ROC.

Note 4: The difference is the net written-off amount of $5,453 thousand in upstream transactions and the offset of loss $3 thousand on sale of property, plant and equipment between subsidiaries.

Note 5: Dynapack Technology (Hong Kong) Corporation Limited reduced the capital by cash in July 2021, and Dynapack Technologies (Cayman) Corporation received repatriation of US$10,000 thousand. Dynapack Technology (Hong Kong) Corporation Limited completed capital reduction process in October 2021.

Note 6: For information on investee companies in mainland China, refer to Table 6.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

INFORMATION ON INVESTMENTS IN MAINLAND CHINA
FOR THE YEAR ENDED DECEMBER 31, 2021
(In Thousands of New Taiwan Dollars or Foreign Currency, Unless Stated Otherwise)

Investee Company	Main Businesses and Products	Paid-in Capital (Note 1)	Method of Investment	Accumulated Outward Remittance for Investment from Taiwan as of January 1, 2021 (Note 1)	Remittance of Funds (Note 1)		Accumulated Outward Remittance for Investment from Taiwan as of December 31, 2021 (Note 1)	Net Income (Loss) of the Investee (Notes 2 and 3)	% Ownership of Direct or Indirect Investment	Investment Gain (Loss) (Notes 2 and 3)	Carrying Amount as of December 31, 2021	Accumulated Repatriation of Investment Income as of December 31, 2021
					Outflow	Inflow						
Dynapack (Suchou) Co., Ltd.	Manufacturing and selling various lithium-ion battery packs, nickel-metal hydride battery packs, new electronic components, wireless communication modules, various chargers and technical development of power management systems, etc.	$ 2,487,238 (US$ 80,000) (Note 4)	(Note 5)	$ 2,229,856 (US$ 72,100)	$ -	$ -	$ 2,229,856 (US$ 72,100)	$ 320,051 (RMB 73,739)	100	$ 320,051 (RMB 73,739)	$ 6,923,581	$ -
Dynapack (Kunshan) Co., Ltd.	Manufacturing and selling computers, various lithium-ion battery packs for communications, nickel-metal hydride battery packs, new electronic components, wireless communication modules, and various chargers	- (Note 6)	(Note 5)	311,580 (US$ 10,000)	-	311,580 (US$ 10,000) (Note 6)	-	(4,542) (RMB (1,041))	-	(4,542) (RMB (1,041))	- (Note 6)	-

Accumulated Outward Remittance for Investments in Mainland China as of December 31, 2021	Investment Amount Authorized by the Investment Commission, MOEA	Upper Limit on the Amount of Investments Stipulated by the Investment Commission, MOEA
$2,229,856 (US$72,100)	$2,541,436 (US$82,100)	$5,819,462

Note 1: The calculation was based on the original investment cost.

Note 2: The calculation was based on the average exchange rate for the year ended December 31, 2021.

Note 3: The basis for investment income (loss) recognition is the financial statements audited and attested by parent company's CPA in the ROC.

Note 4: The paid-in capital includes the original outward remittance for investment from Taiwan of US$72,100 thousand and the earnings transferred to ordinary shares of US$7,900 thousand.

Note 5: The Company indirectly invested in mainland China through Dynapack Technology (Hong Kong) Corporation Limited by investing via a third region.

Note 6: Dynapack (Kunshan) Co., Ltd. has completed the liquidation and remitted the remaining fund from the liquidation to Dynapack Technologies (Cayman) Corporation through the third region Dynapack Technology (Hong Kong) Corporation Limited.

DYNAPACK INTERNATIONAL TECHNOLOGY CORPORATION

INFORMATION OF MAJOR SHAREHOLDERS
December 31, 2021

Name of Major Shareholder	Shares	
	Number of Shares	Percentage of Ownership (%)
Hua Long Financial Co., Ltd.	7,620,431	5.10

Note1: The information of major shareholders presented in this table is provided by the Taiwan Depository & Clearing Corporation based on the number of ordinary shares and preference shares held by shareholders with ownership of 5% or greater, that have been issued without physical registration (including treasury shares) by the Company as of the last business day for the current quarter. The share capital in the consolidated financial statements may differ from the actual number of shares that have been issued without physical registration because of different preparation basis.

Note 2: If a shareholder delivers the shareholdings to the trust, the above information will be disclosed by the individual truster who opened the trust account. For shareholders who declare insider shareholdings with ownership greater than 10% in accordance with the Security and Exchange Act, the shareholdings include shares held by shareholders and those delivered to the trust over which shareholders have rights to determine the use of trust property. For information relating to insider shareholding declaration, please refer to Market Observation Post System.

THE CONTENTS OF STATEMENTS OF MAJOR ACCOUNTING ITEMS

Statement 1

Dynapack International Technology Corporation

Statement of cash and cash equivalents
December 31, 2021
(In Thousands of New Taiwan Dollars, Unless Stated Otherwise)

Item	Description	Amount
Cash on hand		$ 494
Checking deposits and Demand deposits		
	NTD 803,893 thousand	803,893
	USD 45,730 thousand (Note)	1,266,024
	EUR33 thousand (Note)	1,026
	RMB 1,144 thousand (Note)	4,968
Subtotal		2,075,911
Cash equivalent - Time deposits with original maturities less than 3 months	NTD 200,000 thousand; matures in February 2022; interest rate at 0.28% per annum	200,000
Total		$ 2,276,405

Note: Exchange rate: USD$1＝NTD$27.685

EUR$1＝NTD$31.328

RMB$1＝NTD$4.3443

Statement 2

Dynapack International Technology Corporation

Statement of trade receivable
December 31, 2021
(In Thousands of New Taiwan Dollars)

Customer name	Amount
Unrelated parties	
Customer A	$ 2,966,372
Customer B	822,982
Customer C	531,373
Customer D	296,252
Others (Note)	339,367
	4,956,346
Related parties	
Dynapack Technologies (Cayman) Corporation	1,265,512
Total	$ 6,221,858

Note: The amount of individual customer included in others does not exceed 5% of the account balance.

Dynapack International Technology Corporation

Statement of inventories
December 31, 2021
(In Thousands of New Taiwan Dollars)

Item	Amount	
	Cost	Net Realizable Value
Finished goods	$ 1,150,318	$ 1,222,364
Raw materials	1,369,187	1,466,626
Total	$ 2,519,505	$ 2,688,990

Note 1: NT$108,235 thousand of inventory write-down were recognized for the year ended December 31,2021.

Note 2: The inventory write-down was NT$221,226 thousand as of December 31, 2021.

Statement 4

Dynapack International Technology Corporation

Statement of changes in investments accounted for using the equity method
December 31, 2021
(In Thousands of New Taiwan Dollars)

	Balance ,January 1,2021			Additions in Investment (Note 3)		Decrease in Investment (Note 2)		Changes in equity of subsidiaries	Share of loss of associates accounted for using the equity method	Exchange differences on translation of the financial statements of foreign operations	Balance, December 31,2020				
Name	Shares (In thousands)	Percentage of Ownership (%)	Amount	Shares (In thousands)	Amount	Shares (In thousands)	Amount	(Note 1)	(Note 2)		Shares (In thousands)	Percentage of Ownership (%)	Amount	Net Assets Value	Collateral
Accounted using the equity method															
Dynapack Technologies (Cayman) Corporation	84,186	100%	$ 8,499,522	-	$ -	-	$ -	$ 4,511	$ 375,500	($ 113,986)	84,186	100%	$ 8,765,547	$ 8,795,242	None
Dynapack Investment Corporation	20,000	100%	247,154	28,000	280,000	-	30,000	139	71,628	-	48,000	100%	568,921	568,921	None
Chih Ho Shun Development Co., Ltd.	1,500	30%	14,478	-	-	-	-	-	(761)	-	1,500	30%	13,717	13,717	None
			$ 8,761,154		$ 280,000		$ 30,000	$ 4,650	$ 446,367	($ 113,986)			$ 9,348,185	$ 9,377,880	

Note 1: Represents capital investments arising from employee share options granted to subsidiaries' employees.

Note 2: Share of profit (loss) totaling $375,500 thousand from Dynapack Technologies (Cayman) Corporation was recognized using the equity method which have already been eliminated gain on upstream transactions totaling $5,453 thousand and loss on sale of property, plant, and equipment with subsidiaries totaling $3 thousand.

Note 3: Additions in the current year was due to 28,000 thousand additional shares acquired at a cost of $280,000 thousand; decrease in the current year was due to $30,000 thousand of cash dividends received from the investee.

Dynapack International Technology Corporation

Statement of short-term borrowings
December 31, 2021
(In Thousands of New Taiwan Dollars)

Lending bank	Loan tenor	Annual interest rate (%)	Balance, December 31,2020	Loan limit	Collateral or security
E.Sun Commercial Bank	December 17, 2021-January 14, 2022	0.755%	$ 500,000	$ 500,000	None
Taipei Fubon Bank	December 17, 2021-January 14, 2022	0.750%	200,000	221,480	None
DBS	December 30, 2021-March 30, 2022	0.750%	140,000	498,330	None
Cathay United Bank	December 13, 2021-January 13, 2022	0.750%	270,000	276,850	None
			$ 1,110,000	$ 1,496,660	

Statement 6

Dynapack International Technology Corporation

Statement of trade payables
December 31, 2021
(In Thousands of New Taiwan Dollars)

Supplier name	Amount
Unrelated parties	
Supplier A	$ 695,230
Supplier B	575,814
Supplier C	345,257
Supplier D	195,425
Others (Note)	319,640
Subtotal	2,131,366
Related parties	
Dynapack Technologies (Cayman) Corporation	8,336,088
Total	$ 10,467,454

Note: The amount of individual supplier included in others does not exceed 5% of the account balance.

Dynapack International Technology Corporation

Statement of long-term borrowings
December 31, 2021
(In Thousands of New Taiwan Dollars)

Lending bank	Tenor and repayment method	Annual interest rate (%)	Amount: Maturing within 1 year	Amount: Maturing after 1 year	Amount: Total	Collateral or security
Taishin International Bank	From 2020.04.07 to 2025.04.07. Some of the loans are repayable in one lump sum on 2022.03.24, while others are repayable in 24 equal monthly instalments starting from 2023.04.15	0.000%-0.820%	$ 100,000	$ 63,490	$ 163,490	None
E.SUN Bank	From 2021.08.31 to 2024.08.31. Repayable in one lump sum on 2024.08.31	0.800%	-	500,000	500,000	None
CTBC Bank	From 2020.01.30 to 2025.01.30. Some of the loans are repayable in one lump sum on 2023.08.31, while others are repayable in 24 equal monthly instalments starting from 2023.02.15	0.100%-0.831%	-	197,907	197,907	None
KGI Bank	From 2021.09.30 to 2023.06.21. Repayable in one lump sum on 2023.06.21	0.801%	-	200,000	200,000	None
Bank of Taiwan	From 2021.01.28 to 2023.12.13. Repayable in one lump sum on 2023.12.13	0.800%	-	300,000	300,000	None
			$ 100,000	$ 1,261,397	$ 1,361,397	

Dynapack International Technology Corporation

Statement of operating revenue
For the years ended December 31, 2021
(In Thousands of New Taiwan Dollars/ thousand pieces)

Item	Quantity	Amount
Lithium-ion battery packs	51,962	$ 19,802,657
Others	-	67,556
Net sales revenue		$ 19,870,213

Statement 9

Dynapack International Technology Corporation

Statement of operating costs
For the years ended December 31, 2021
(In Thousands of New Taiwan Dollar)

Item	Amount
Raw materials consumed	
Opening raw materials	$ 982,054
Purchases for the year	13,868,616
Cost of raw materials sold	(13,022,070)
Reclassified to expenses and others	(1,294)
Closing raw materials	(1,485,856)
Raw materials consumed	341,450
Direct labor	36,871
Manufacturing overhead	62,070
Manufacturing cost	440,391
Opening work in progress	-
Purchases for the year	-
Cost of work-in-progress sold	-
Reclassified to expenses and others	-
Closing work in progress	-
Cost of finished goods	440,391
Opening finished goods	1,217,576
Purchases for the year	5,446,601
Closing finished goods	(1,254,875)
Reclassified to expenses and others	(22,484)
Cost of raw materials sold	13,022,070
Cost of goods sold	18,849,279
Inventory write-downs	108,235
Operating costs	$ 18,957,514

Statement 10

Dynapack International Technology Corporation

Statement of selling and marketing expenses
For the years ended December 31, 2021
(In Thousands of New Taiwan Dollar)

Item	Amount
Salaries expense (including compensation and bonus of employees)	$ 19,520
Export charges	9,458
Insurance expense	2,163
Others (Note)	7,328
Total	$ 38,469

Note: The amount of each item in others does not exceed 5% of the account balance.

Statement 11

Dynapack International Technology Corporation

Statement of general and administrative expenses
For the years ended December 31, 2021
(In Thousands of New Taiwan Dollar)

Item	Amount
Salaries expense (including compensation and bonus of employees)	$ 71,873
Taxes	26,848
Directors’ fees	23,110
Depreciation	18,236
Others (Note)	52,234
Total	$ 192,301

Note: The amount of each item in others does not exceed 5% of the account balance.

Statement 12

Dynapack International Technology Corporation

Statement of research and development expenses
For the years ended December 31, 2021
(In Thousands of New Taiwan Dollar)

Item	Amount
Salaries expense (including compensation and bonus of employees)	$ 191,569
Insurance expenses	23,846
Verification and inspection expenses	20,199
Others (Note)	58,675
Total	$ 294,289

Note: The amount of each item in others does not exceed 5% of the account balance.